Eden District Council

Eden Local Plan

Technical Paper 2 - Housing Distribution

This paper introduces a background to how new housing could be distributed in the district. It then sets out options for how new housing could be distributed throughout the District, and includes our preferred option for growth.

Planning Policy Team

April 2014

Contents

Housing Distribution Technical Paper

1. Introduction and Context

1.1 This Paper sets out the technical background to help inform the future distribution of housing within the district. It provides the evidence to support how we have looked at options for directing new housing to our towns and villages. A separate options paper on housing distributing new housing has also been produced, using information in this Paper.

1.2 Why do we need a plan for distributing new housing?

1.3 There are several reasons:

- A Local Plan must show where new housing development will and will not be acceptable when the District Council considers planning applications, to help give certainty to landowners, developers and local communities.
- When allocating sites we can take a view on what may the most suitable locations based on promoting a more sustainable pattern of development. We do this by establishing a 'settlement hierarchy', which aims to locate development where it can best support existing or encourage new services and facilities. Without a hierarchy for Eden's villages, we would have less control where development is directed, which may promote less sustainable patterns of growth.
- The Council is required by Government to maintain at least five years of deliverable housing land, without which any plan is considered out of date. This risks housing proposals coming forward outside our planned strategy and being permitted by Inspectors at appeal.
- It's a national policy requirement - paragraph 55 of the National Planning Policy Framework (NPPF) directs that housing should be located where it will enhance or maintain the viability of rural communities and that isolated homes in the countryside should be avoided.

1.4 Why can't this be done through Neighbourhood Plans?

1.5 Ideally it would (or will) be. The District Council would like to see decisions on planning to be devolved as much as possible to those it affects, through Neighbourhood Plans or other community planning processes. This is why we are committing to supporting any village wishing to bring forward sites where we have not allocated any, or an alternative site strategy from the one we have set out in the Local Plan. However, as we are required to maintain a supply of deliverable housing land to avoid unfettered development coming forward we think it prudent at this stage to begin identifying sites. In the meantime we would also very much like to hear your views on where the best sites may be as part of the consultation process on the Local Plan.

1.6 What is the current strategy for distributing housing?

1.7 Our existing method of distribution is set out in our adopted Core Strategy (2010). This directs 60% of new growth to the Main Service Centre of Penrith, 9% to Appleby, 7% to Kirkby Stephen, 4% to Alston, (as 'Key Service Centres') and finally 20% to 46 'Local Services Centres'. It then restricts growth elsewhere to affordable housing only. Key Service Centres are designated on the basis that they have a secondary school, library, doctor's surgery, post office, at least 200 square metres of retail floorspace and 1,500 residents. Local Service Centres are defined on the basis that they have at least a community or commercial bus service, and two out of three of the following: a school, (non-mobile) post office or shop and a village hall or pub.

1.8 Defining a settlement hierarchy

1.9 We distribute new housing by creating and setting a settlement hierarchy which reflects the relationship between towns and villages in Eden. By understanding past growth in these areas and the range of services in each settlement, we can define a pattern of sustainable growth for the district.

1.10 The National Planning Policy Framework (NPPF) provides guidance on how to set out a settlement hierarchy. In the context of Eden paragraph 55 is particularly relevant - **"to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities. For example, where there are groups of smaller settlements, development in one village may support services in a village nearby. Local planning authorities should avoid new isolated homes in the countryside unless there are special circumstances."**

1.11 The key challenge is getting the balance right between urban and rural areas in what is a predominately rural district. We know, based on past trends and future projections that much of the demand for new housing will come from older retirees moving in to the district to take advantage of the high quality of life. Over half (55%) of new housing being built over the past ten years has also come from new development outside the four main towns. The current Core Strategy actively tries to boost delivery at Penrith and lessen it elsewhere compared to past trends as this was thought to be the most sustainable strategy at the time.

1.12 The following information provides evidence to help inform our distribution strategy.

1.13 Responses to Consultation

1.14 We began by looking at what people's views were when the existing distribution was set.

1.15 Preferred Options Core Strategy (November 2006)

1.16 This stage of the Core Strategy consultation received the most comments. Around 60% of respondents disagreed with the Councils preferred approach to housing distribution. Amongst the responses, there were concerns that the Local Service Centre (LSC) criteria were too tied to transport objectives, that the target for growth in Penrith may be difficult to achieve and over the role of rural settlements, that may stagnate with overly restrictive policies.

1.17 General Comments Related to Submission Core Strategy (April 2009)

1.18 In between the preferred options and Submission Core Strategy, the Council's Preferred Option towards LSCs became more flexible, as the quantum of settlements increased from 24 to 46, reflecting a change in criteria. This change was debated through the Sustainability Appraisal, which considered the dilution of LSCs in their ability to promote sustainable development, opposed to retaining a criterion more focussed on sustainable outcomes.

1.19 Notwithstanding this change, there were still concerns that the criterion for LSCs was too inflexible and whilst the number of settlements had increased, the percentage afforded to them remained the same.

1.20 Preferred Housing Sites and Policies (February 2013)

1.21 Though this document did not discuss the potential methods for the redistribution of housing, some respondents did comment on the approach to delivery to the LSCs and rural settlements. The County Council recognise the importance that housing can play in ensuring the sustainability of rural settlements. In addition to the County Council, another respondent also expressed a desire to increase the provision of housing to the rural areas, to assist in the delivery of affordable housing to the rural areas.

1.22 Looking at past consultations, we can see that concerns raised at the time of the Core Strategy are still relevant today. Whilst commentators still respect the decision to direct development to more sustainable areas, the role that rural settlements can play in housing delivery may need to be reconsidered.

1.23 Next, we start to look at some of the evidence that may inform our future distribution.

1.24 Settlements in Context

1.25 Penrith

1.26 Recognised as a strategic growth point in the 2008 Regional Spatial Strategy, Penrith is the largest town in Eden with a population just over 15,000. The town offers the widest range of employment opportunities and facilities in the district, including the only hospital in the area.

1.27 The town is linked to a number of strategic transport points, including the M6, the A66 and the West Coast Mainline. From Penrith it is possible to travel to London in three hours by train, or access a number of cities using the road network.

1.28 Focussing the majority of development to this location will utilise the key conditions for growth along with M6 corridor, to expand the economic and residential base of the town, establishing Penrith as a stronger centre in Cumbria.

1.29 Market Towns

1.30 Alston, Appleby and Kirkby Stephen are designated as core areas for growth. There is not an even distribution of growth for these areas reflecting the size of the towns. All of these towns support a range of services and employment opportunities. Outside of Penrith, the market towns are the only locations with secondary school facilities, and offer strong transport links to larger centres.

1.31 Local Service Centres

1.32 The Local Service Centres are the third tier of settlement. Defined by criteria, these locations were defined as sustainable centres for housing and employment growth based on the range of services and facilities they supported. These locations play an important role in supporting the rural hinterland, often providing a range of services and public transport links to larger centres.

1.33 Villages and Hamlets

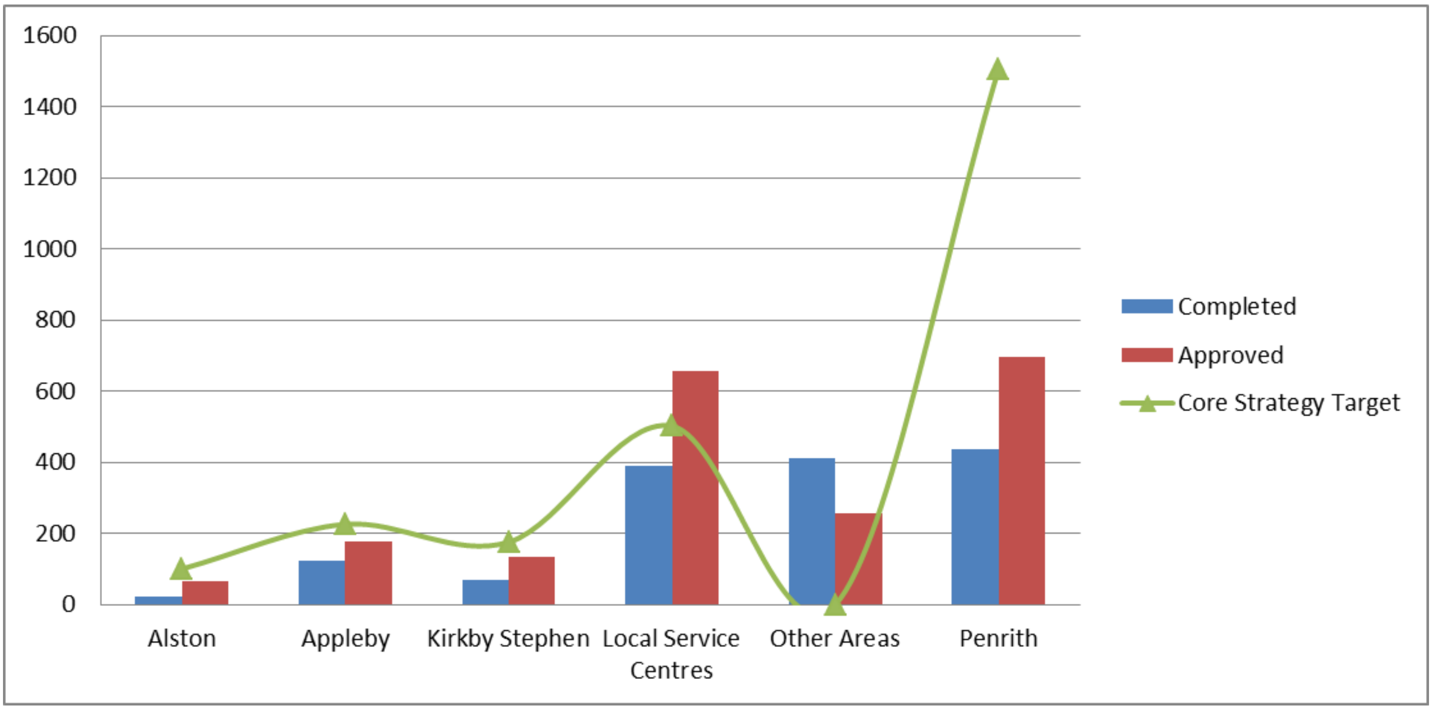
Eden contains a large number of scattered villages, which range in size and services. This tier contains the most number of settlements. It should be recognised that development in these locations may not be unsustainable, however, the nature of the settlements are less likely to support strategic growth.

1.34 It is however important to recognise that these areas may require some limited growth, so that local communities are able to expand and ensure that realistic options for housing are available to stem the outward flow of young working families. All approaches to a hierarchy recognise the role these settlements play, and offer more supportive policy approaches to future development.

1.35 Approvals and Completions

1.36 Next, it’s useful to look at the pattern of past development as this can help tell us where demand is coming from and where the market favours development. All analysis of past trends in this paper is based on a ten year period from the base date of the current Core Strategy i.e. March 2003-April 2013.

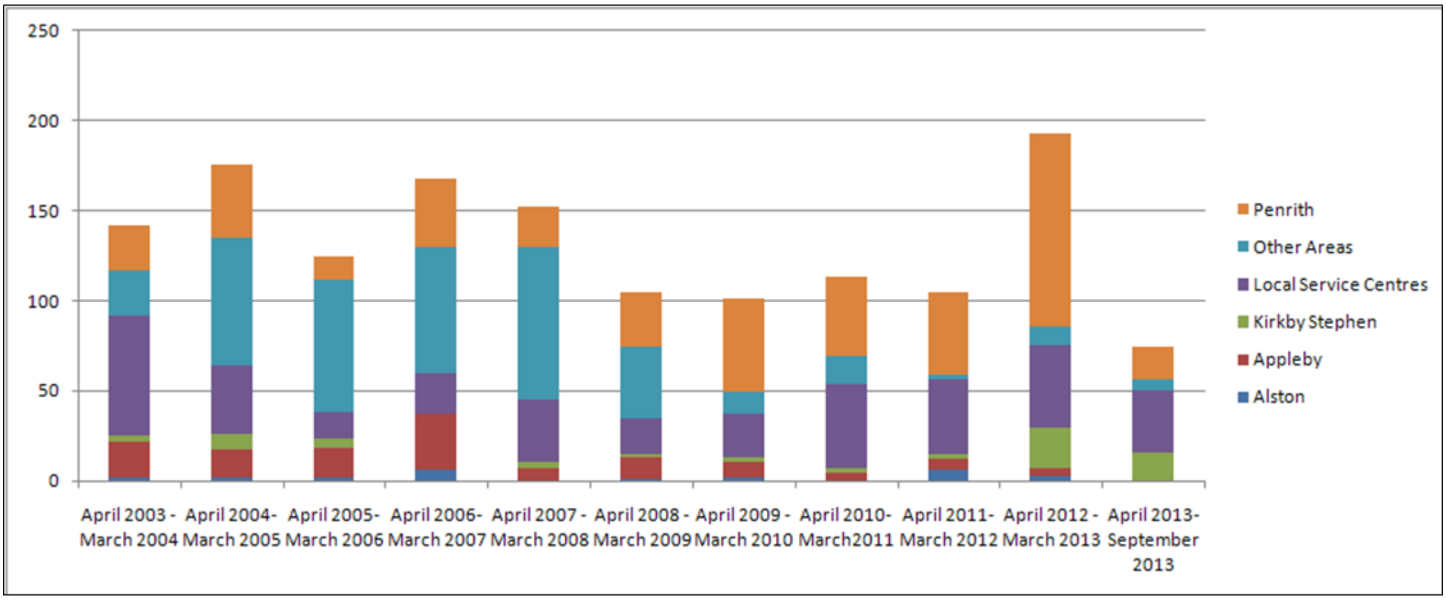
1.37 The currently adopted Core Strategy (2010) anticipated a distribution of 5,258 houses over 2003/04 to 2024/25. The following graph shows the planned distribution, together with what's been completed over the past ten years:



1.38 This shows a clear under delivery of housing (58% of the overall target), particularly at Penrith (delivery rates are 64% of planned supply), and a significant amount of housing coming forward in the rural areas. In fact, over the past ten years 55% of all housing in Eden has come forward outside the four main towns. On the face of it, it would seem that the most robust means of making sure new housing is built is to concentrate more housing in the rural areas. However, we need to drill down further in to the statistics to tell us what's going on.

1.39 The first question is whether this trend is changing over time. As with any planning policy, there is a time lag before they start operating effectively. Arguably permissions based on Core Strategy policy only really started coming through after its adoption in 2010.

1.40 The following chart breaks down the annual housing completions into the area they were built, imposing the current list of LSCs onto completions from 2003.



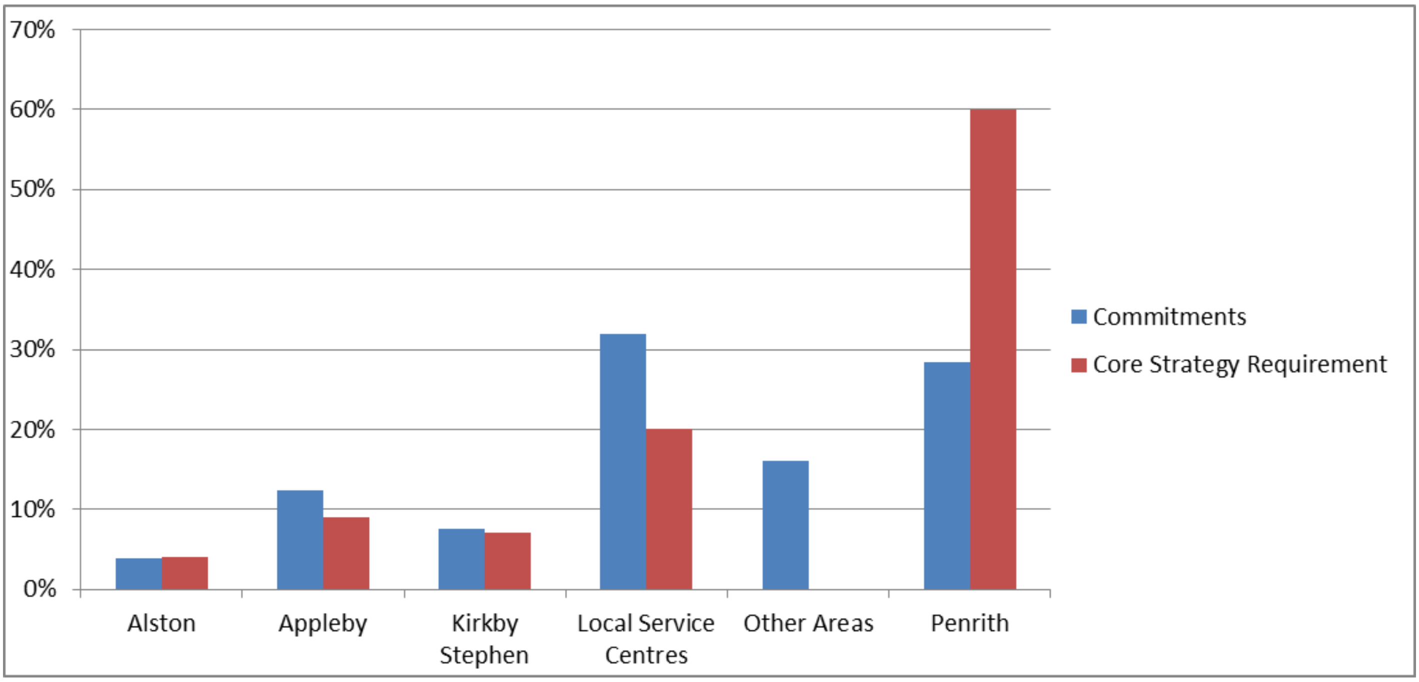
1.41 Of particular note there has been a fall in completions in the most rural 'Other Areas' since 2007. We don't know the exact reason for this but at the same time completions in the Local Service Centres increased and there was no overall fall in completions, so the most likely explanation is that planning policy directing new housing into towns and larger villages may have had a greater effect over this time. At the same time completions at Penrith have risen, although it should be noted that the increase in 2012/13 may not be indicative of a continuing trend, as several larger developments completed in this year (most notably at New Squares and London Road).

Key Messages

- The overall rate of development in the district over the past ten years was low - around 58% of annual targets.
- The majority of development over the past ten years (55%) has come forward in rural areas.
- Over the past 10.5 years completions in Penrith have risen, whilst the numbers of housing delivered in rural areas has dropped. This change could have been driven by the Core Strategy which has been influencing planning decisions prior to its adoption in March 2010.
- In 2012-13 there were significant completions in Penrith, due to a number of housing approvals supported by the Homes and Communities Agency. It is unlikely that we will see this replicated in the near future.

1.42 Committed Development

1.43 A certain number of sites will have already received planning permission but have yet to be completed. These are known as planning commitments. We can be reasonably sure that they will come forward, and this may tell us something about future trends and what can be expected to be delivered in the next 5 years.



1.44 The above chart includes committed development in Eden, up to April 2013. Whilst this does tell us that there are a good number of developments that are coming forward in Penrith, the numbers required are still falling short of those required in the Core Strategy. Against the graph below we can see that committed development for Penrith is less than the 60% target specified in the Core Strategy. Whilst this tells us that we are likely to under-deliver in Penrith in the next few years, approvals in the remaining towns and LSCs are buoyant, meeting the targets for growth in the short term.

1.45 There are still reasonably high levels of approvals in the LSCs and rural areas. This may in part be due to historical implementations, which were approved prior to 2003, under a different policy framework. However, we need to be careful when interpreting this information as this is within the context of under delivery across most of the district. The overall amount will influence the percentage split.

Key Messages

Nearly half of all commitments (48%) are in the LSCs or rural areas, compared to the Core Strategy target of 20%.

We have a supply of housing in Penrith of 413 units, which is less than half of where we need to be to meet our current targets.

1.46 Windfall Growth in Eden

1.47 Within any housing distribution strategy we may need to take a view on how many 'windfall sites' may come forward. Windfall sites are sites that are permitted, but which are unanticipated. In other words they are not allocated in any plan when they come forward. We need to take a view on whether, even if we do allocate sites, we assume that a proportion of development will come forward as unplanned development and then build this into our calculations on where housing is distributed. This is known as a windfall allowance.

1.48 In understanding historical trends in windfalls, we need to calculate how many of our approvals were permitted outside of the plan led process. We do this by removing both development on allocated sites, and development on former garden sites, as prescribed in the NPPF. The last set of housing allocations were published in 1996. To reflect this delay, we also discount developments of 10 or more houses, as a proxy for our allocations process.

Location	Total Permissions	Allocation, Garden or greater than 10 units	Windfalls	Windfalls as % of total completions
Alston	62	14	48	77%
Appleby	38	16	22	58%
Kirkby Stephen	202	137	65	32%
Local Service Centres	604	209	395	65%
Other Areas	242	53	189	78%
Penrith	876	667	209	24%
Grand Total	2024	1096	928	46%

1.49 The current Core Strategy does not build a windfall allowance into its housing distribution strategy. This means that it assumes that sites will be identified through future plans to account for all new development to meet the overall housing target - it does not assume that unidentified sites may come forward and lessen the need to allocate land elsewhere.

1.50 There are two schools of thought on whether we should include a windfall allowance:

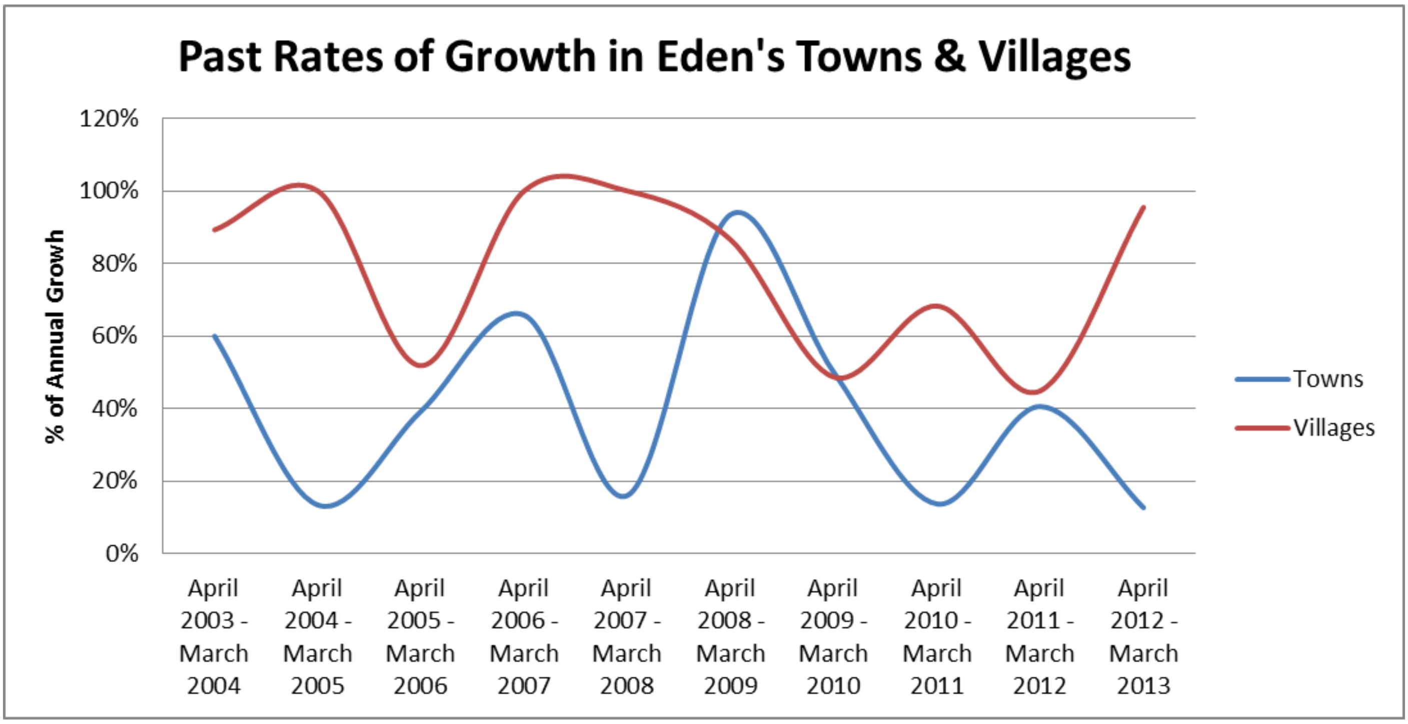
- **No we shouldn't -** ideally we should be allocating enough housing land to meet our full target as it provides certainty and helps maintain land supply.
- **Yes we should -** the area has grown through the delivery of much new development in Eden's villages and we should expect this to continue. If we do incorporate a windfall allowance, and a large component of our potential supply continues to be delivered through windfalls this may lead to over delivery against need, which would encourage in migration.

1.51 It comes down to the nature of our district and what the evidence is telling us. We can see that over the past four years there has been a strong trend for windfall development in Local Service Centres and rural settlements. Windfall provision in the market towns has varied, with Alston in particular showing a particular reliance on windfall sites over the past ten years. As we look a little deeper, we can see that all four of Alston's allocated sites in the 1996 Local Plan have yet to be developed. This suggests that there may be less demand in the town for larger allocations, favouring an approach which supports local house builders develop smaller sites as and when required.

1.52 When we look at this data broken down by date rather than location, we get a more varied picture. We can see that for the most part, windfalls make an important contribution to our housing supply. This is only challenged in years where significant developments are brought forward which skew the data. The first six years of permissions did alternate on an annual basis, based on large sites coming forward, and the gaps between these years which were heavily comprised of windfall sites. The last four years of permissions have been less sporadic. This may, in part, be due to the lasting effects of the economic downturn making larger developments too risky. In the years influenced by the Core Strategy, we can see a more balanced set of permissions. The Core Strategy may have played a contribution towards setting a positive approach towards new development. However the larger sites in particular are more likely to be driven by confidence of growth in the housing market.

Date	Allocation, Garden or greater than 10 units	Windfalls	Grand Total	Windfalls as % of total completions
April 2003 - March 2004	35	155	190	82%
April 2004 - March 2005	58	17	75	23%
April 2005 - March 2006	30	25	55	45%
April 2006 - March 2007	13	57	70	81%
April 2007 - March 2008	293	70	363	19%
April 2008 - March 2009	14	130	144	90%
April 2009 - March 2010	168	162	330	49%
April 2010 - March 2011	253	118	371	32%
April 2011 - March 2012	125	94	219	43%
April 2012 - March 2013	107	100	207	48%
Grand Total	1096	928	2024	46%

1.53 The graph below represents the windfall approval rate, separated Eden's 4 main towns from the remaining villages. As expected, the towns have a greater propensity to accommodate larger sites, whilst the villages have been heavily reliant on windfall approvals.



Key Messages

- The approval of small windfall sites plays an important part in the composition of Eden's annual approvals - 46% of past supply has come forward this way.
- As you would expect, smaller sites tend to be found more in the rural areas - 79% of sites approved in the villages were on windfall sites, compared to 41% in Eden's market towns.
- Windfall approvals have not been significantly affected by the introduction of the Core Strategy, or the economic downturn - meaning that this offers a resilient form of housing supply.
- Housing land in Alston is heavily reliant on the development of small sites, which may need to be reflected in the distribution and identification of sites.

1.54 Scenarios

1.55 From this information we can start to explore development scenarios to see if they can provide us with a means of helping distribute new housing in Eden. We have termed these 'scenarios' rather than 'options' as they are designed to explore potential drivers that may influence future distribution. Our options will then be built from elements of what they are telling us and what we know from the results of the analysis so far.

1.56 Distribution based on past trends

1.57 We could look to distribute housing based on what where it has been built in the past. The past 10.5 years of completions and permissions creates the following distribution:

Location	Completed	Permissions	Average (Mean)
Alston	2%	3%	3%
Appleby	5%	9%	7%
Kirkby Stephen	5%	7%	6%
Local Service Centres	27%	33%	30%
Other Areas	28%	13%	21%
Penrith	30%	35%	33%
Total	100%	100%	100%

1.58 However, underlying this trend is a gradual reduction in completions in 'Other Areas' over time, probably the result of more restrictive planning policy. This, together with the very rural nature of these areas and the subsequent sustainable development considerations mean that it is probably prudent to assume development should not be directed to, or be relied upon from these areas (although we could look at building in a windfall allowance to main housing targets to anticipate some supply.)

1.59 This method also results in a very high figure for Local Service Centres which would result in large allocations to relatively remote areas. It is also heavily influenced by past under delivery at Penrith. We know that completions at Penrith have been improving and will continue to improve.

1.60 Existing Population and Household Numbers

1.61 Using figures from the 2011 Census we can look at look at a potential split based on total population and total households, on the basis that places with the most people should be in a better position to provide new services.

Location	Population	Percent	Households	Percent
Penrith	15487	29%	7030	31%
Alston	2,088	4%	996	4%
Appleby	3,048	6%	1,415	6%
Kirkby Stephen	1,822	3%	845	4%
Elsewhere	28,108	53%	10,746	47%
Eden	52,564	100%	23,043	100%

1.62 The main issue with this scenario is that over half of Eden's population live outside the four main towns, so using this option would result in a high rate of dispersed development in rural areas, which would have a negative impact on the sustainability of Eden lead to problems over access to facilities and services. For these reasons we would not consider this to be a viable method for distributing new housing.

1.63 Housing Need

1.64 One potential way of looking at where new housing should be located would be to look at where affordable housing is needed. Housing Needs Surveys were carried out in 2010 for Penrith and 2008 and 2009 for other areas. However, much care needs to be exercised using this data as the Penrith and other surveys used different weighting methodologies - sample sizes may also skew figures. Additionally, it is not possible to extract a figure for Local Service Centres from Parish boundary data.

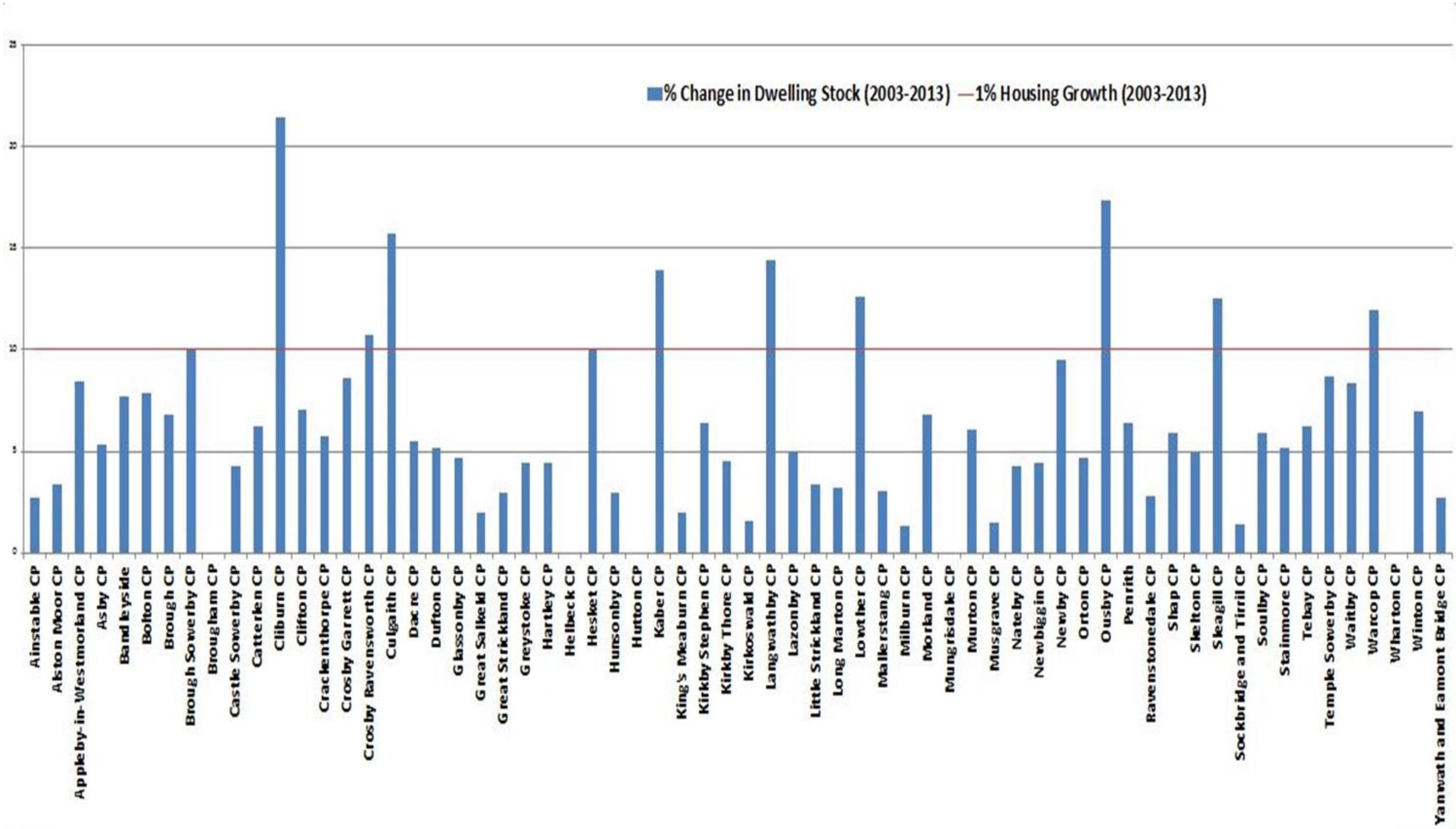
1.65 The level of need shown indicates the number of people who when asked whether they were expecting to move in the next five years but were currently unable to do so as they could not afford suitable accommodation. It applies over a five year period. So, in the table below if 590 affordable homes were built in Penrith over the next five years (118 times 5) then the current need would be sated. However, the figures will not tell you how much additional need may be building up in the future. However, if we bear in mind that this data gives us a snapshot in time the results may give us an indication of where need exists at a very general level.

Location	Annual Need	Percentage of Need	Private Sector Homes Needed (per year)	Core Strategy
Alston	14	4%	43	4%
Appleby	23	6%	69	9%
Kirkby Stephen	25	7%	75	7%
Elsewhere	184	51%	557	20%
Penrith	118	32%	357	60%
Total	364	100%	1101	100%

1.66 Given the limitations within using data we do not consider it a reliable method to look at housing distribution, other than to illustrate the relatively high rates of need outside the main towns. In keeping with the NPPF, the policy framework could offer more flexibility so that housing need outside of Eden's towns can be addressed.

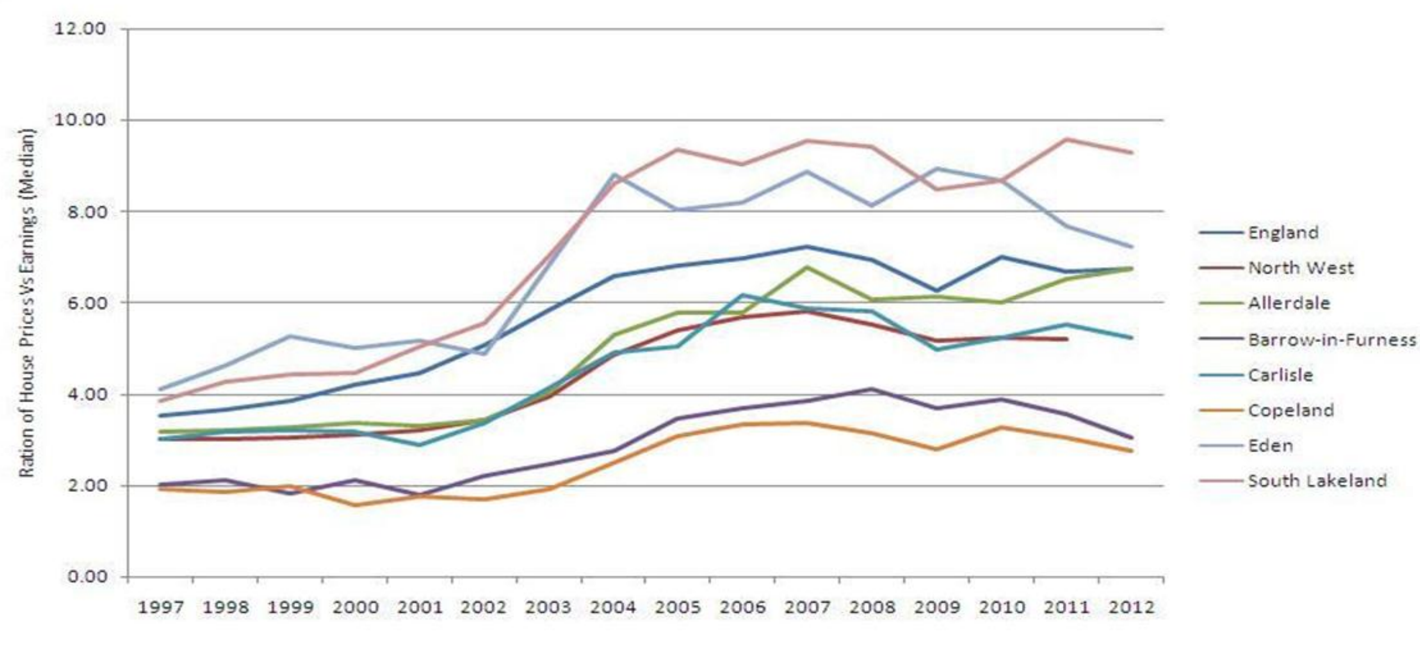
1.67 Past Trends and Capacity for Growth

1.68 Looking at how the number of dwellings has grown settlements in the past ten years can help us understand the market demand for housing and which locations have not developed much the past few years. The following graph shows the percentage change in housing stock over the last ten years. Please bear in mind that this information needs to be treated with care as data for smaller villages will be skewed by low levels of growth.


% Change in Dwelling Stock (2003-2013)
1% Housing Growth (2003-2013)
Ainstable CP
Alston Moor CP
Appleby-in-Westmorland CP
Asby CP
Bandleyside
Bolton CP
Brough CP
Brough Sowerby CP
Brougham CP
Castle Sowerby CP
Catterlen CP
Cliburn CP
Clifton CP
Crackenthorpe CP
Crosby Garrett CP
Crosby Ravensworth CP
Culgaith CP
Dacre CP
Dufton CP
Glassonby CP
Great Salkeld CP
Great Strickland CP
Greystoke CP
Hartley CP
Helbeck CP
Hesket CP
Hunsonby CP
Hutton CP
Kaber CP
King's Meaburn CP
Kirkby Stephen CP
Kirkby Thore CP
Kirkoswald CP
Langwathby CP
Lazonby CP
Little Strickland CP
Long Marton CP
Lowther CP
Mallerstang CP
Milburn CP
Morland CP
Mungrisdale CP
Murton CP
Musgrave CP
Nateby CP
Newbiggin CP
Newby CP
Orton CP
Ousby CP
Penrith
Ravenstonedale CP
Shap CP
Skelton CP
Sleagill CP
Sockbridge and Tirril CP
Soulby CP
Stainmore CP
Tebay CP
Temple Sowerby CP
Waitby CP
Warcop CP
Wharton CP
Winton CP
Yanwath and Eamont Bridge CP

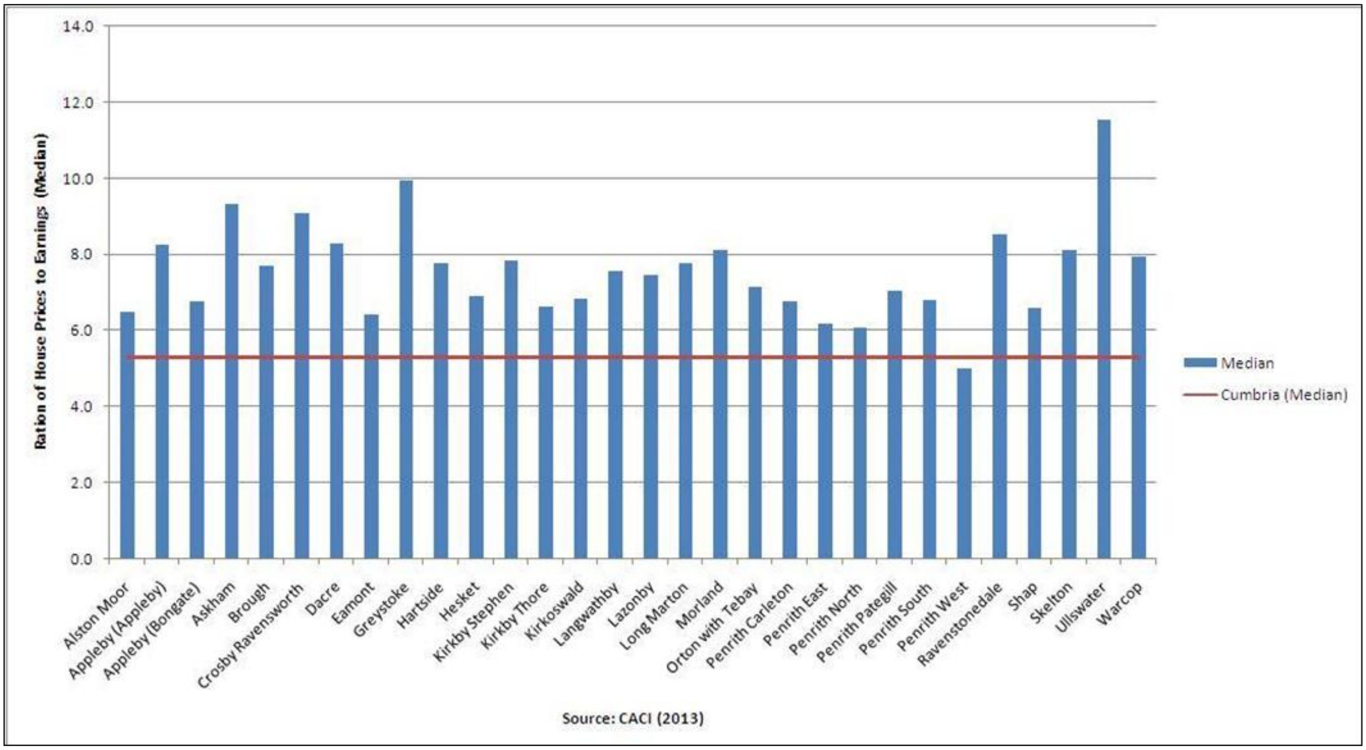
1.69 Housing Affordability

1.70 Part of the rationale behind the Governments thrust to deliver new housing is to increase the housing stock and therefore opportunities for home ownership. Nationally, house prices have risen significantly against earnings in the past 15 years. In terms of median change over the past 15 years, Eden has broadly followed national trends in the increase of house prices. Where it differs is the overall ratio of median house prices against earnings. From the below graph it is clear that house prices in Eden far outstrip the median earnings, these currently standing at a ratio of 7.23. For many, this will affect the eligibility of borrowing at reasonable and affordable rates.



Source: HM Govt (2013)

1.71 Drilling a little deeper, we can see the disparity between earnings and house prices on a ward level.



1.72 Perhaps unsurprisingly, the wards with the highest ratios are those with settlements within or adjacent to both the Lake District and Yorkshire Dales National Parks. There may be a correlation with this data and information on affordable housing need, but more broadly, this information could alert us to those areas most in need of significant growth to reduce the gap between earnings and house prices. Conversely, locating new housing in lower priced areas could mean new stock is made available more cheaply than elsewhere, improving affordability. We do not think that using affordability information is a viable way of deciding the location of new housing, other than to note that affordability ratios are notably lower for the main town of Penrith.

Key Messages

- Around half of Eden’s population/households are based in villages or rural areas. This split between urban and rural has been reflected in the past 10 years of housing growth.
- There is a pressing need in Eden’s villages for affordable housing, which would require unprecedented amounts of development to meet full identified need.
- In terms of parish growth, only 10 out of Eden’s 64 parishes have grown by 1% in the past 10 years, reflecting low growth across the district.
- Inflated house prices vastly outstrip earnings, presenting few affordable options for housing in the district.

2. Generating Options

2.1 Four approaches to distributing new growth have been considered and are presented for consultation. All approaches are intended to comply with the NPPF and reflect differing growth scenarios for planned growth outside of Eden's main towns.

2.2 With the exception of Option 2 all options are based on our preferred housing target of 200 homes per year from 2014 to 2031.

- Option 1 - Preferred Option: Supporting settlements and services. This is similar to the current Core Strategy distribution, but includes limited modifications to slightly reduce rates at Penrith, and introduce more flexibility for development in rural areas. This option replaces the Local Service Centres definition with more tightly defined criteria, resulting in twenty one 'Key Hubs'. The option also includes a list of smaller villages and hamlets, which are permitted to grow to support the vitality of the rural hinterland.

- Option 2: Proportional Growth. This approach uses settlement size to determine a suitable allocation for the plan period. It considers the possibility of applying a 1% growth policy to all the towns and villages. This approach would be reliant on windfall growth in the villages, rather than allocating for growth. The same criterion for Key Hubs used for Option 1 is applied, which promotes a pattern of sustainable centres for allocated growth.

- Option 3: Retain Existing Criterion. This provides an option of sticking with the current distribution strategy set out in the Core Strategy, amended to reflect the new preferred housing target for Eden.

- Option 4: Align the distribution strategy more in line with past trends. This looks at whether future housing should go in areas where it has come forward in the past. This option reduces levels at Penrith and significantly increases development in rural areas. To ensure that this option is as sustainable as possible, the Key Hubs criterion is applied to development in the rural areas.

2.3 Defining a Network of Towns

2.4 Since the 1996 Local Plan, Eden has defined Penrith, Alston, Appleby and Kirkby Stephen as its core centres for growth. They have defined shopping areas and support the highest number of businesses and residential properties. When reviewing the list of towns, the NPPF asks that we define a list of towns that are resilient to future economic changes.

2.5 As part of the proposals map, the shopping areas previously defined in the 1996 Local Plan will be reviewed. Since the economic downturn, the retail cores of our four main towns have been affected, which has resulted in many closures on the high street. Despite these closures, these premises are not lost to other uses, and are often re-circulated as retail use. The four towns also include the largest availability of employment land for B1, B2 and B8 use classes. Outside of Penrith, there has been limited employment growth in the market towns; however, as centres for growth the premise of increased rates of development to these locations is sound.

2.6 The housing stock in Shap is just slightly lower than that in Alston. Coupled with the fact that it is also rich in services and served by good public transport links, we did consider whether

Shap could be designated as a Main Service Centre. This would move it one step up the settlement hierarchy to align with Alston, Appleby and Kirkby Stephen.

2.7 However, whilst Shap has a market town charter, it does not contain the same range of amenities and facilities (such as a secondary school) as the other market towns do. Over the past 10 years Shap has seen low levels of housing growth, and losses in employment land. Though the area does have capacity for growth, there are indications that there may not be as much market interest to expand the village in the same way as other market towns. We have therefore chosen not to change the status of Shap or challenge the existing structure of towns.

2.8 How Key Hubs Have Been Defined?

2.9 Further down the hierarchy we have identified twenty one villages as 'key hubs', where some development will be directed. These are intended to replace the current list of forty six 'Local Service Centres'. Whereas the previous LSC classification considered facilities such as shops, post offices and village halls, the proposed new criteria are reduced to presence of public transport, education and healthcare.

2.10 We have investigated different ways of looking at a settlement hierarchy for the villages, based on the changing the criteria. Some of these approaches have been listed in the rear of the document, detailing the reasons why they were discounted.

2.11 We are proposing to change the existing list of LSCs and replace them with 'Key Hubs' as experience has shown that the current list of Local Service Centres could be considered too pliable, with the list of services that defined them vulnerable to frequent change. This generates uncertainty and created a list of settlements that may not necessarily be reflective of sustainable development. We consider that a smaller list of larger villages coupled with a more flexible approach elsewhere would better serve the needs of Eden. The new list of services can be considered less vulnerable to change and are unlikely to fluctuate over the plan period, meaning that strategic development to these locations will benefit from a key number of services.

2.12 The proposed new criteria for defining Key Hubs are:

- **Public transport:** The criterion has been tightened to reflect routes which offer daily public transport options (road or rail) on established routes. Given the rural nature of the district, car ownership will always remain high. In a time of rising fuel prices, focussing development to these centres ensures that a real alternative to car use can be offered to access daily services and facilities.

- **Education:** In deciding where to relocate, a key draw factor for an area is the accessibility of education facilities. In addition to increasing the marketability of these settlements, directing development to these key hubs ensures that the future of the primary schools are given more certainty, as planned growth helps sustain pupil numbers in these locations.

- **Healthcare:** One of the largest projected changes to the district in the next 20 years is the increase of retired age population moving into the district. Though more remote sites may draw a premium, directing development to areas with healthcare facilities will ensure that the needs of the future population are aligned with the services they require.

2.13 This does not suggest that the services now excluded from the criteria are not important local services. The trend of recent closures of village services may be more pronounced in the current economic downturn, but it also suggests a trend in consumer habits. Policy CS22 of the Core Strategy still promotes the retention of village services, which will have been recently strengthened through legislation which allows villages to determine which services are Assets of Community Value (ACV).

2.14 Where Will New Development Be Acceptable?

2.15 The Local Service Centre policy within the Core Strategy included a large number of villages, but limited the amount of development outside of these locations. The NPPF requires that we should plan for housing growth to meet objectively assessed housing needs and, where viability is evidenced, permit an element of open market housing in these villages to bring forward affordable housing.

2.16 In all new options we have considered how all villages can contribute towards increasing the choice and opportunities for housing. Policies HS1 and HS2 of the 1996 Local Plan contained a list of all known towns, villages and hamlets, and determined their suitability for growth. We have used this list of settlements as a starting point for looking at locations for some limited growth to meet local needs in smaller villages. Though we consider this list comprehensive, we are also open to suggestions on whether villages or hamlets have not been included in this list.

2.17 Rather than apply a broad in/out system for including villages, we seek to allocate growth to the more sustainable areas, and facilitate growth in the rural villages. Contrary to previous approaches, the policy options include a wider range of locations for development, and a more permissive approach overall. Whereas development outside of the LSCs was limited to 100% affordable housing, national guidance gives us the flexibility to permit some market housing to increase the viability of development. On this basis, we will support housing growth in the smaller villages and hamlets where development meets an identified need and does not lead to unacceptable impacts on the character of the settlement.

2.18 In all new growth options we are also proposing a different approach to rural exceptions sites outside these villages. Under policy CS9 of the Core Strategy and paragraph 4.1 of the Housing SPD, a rural exception is qualified as a development outside of our Key and Local Service Centres. Exception housing sites would be acceptable if they met the requirements of our affordable/local connection criteria, and the development was located within a catchment of 3 or more units. We are proposing that this requirement for three or more units is removed and that the exceptions policy is tightened to be generally that – an exception to policy. This would ensure that development outside of Eden’s villages and hamlets are required to provide substantial justification to underpin the need for development, and applications would need to demonstrate a need to be in that location and be restricted to local occupancy affordable housing only. This more restrictive approach would be balanced against a more permissive approach across a wider range of defined villages.

2.19 Guiding Principles for Development

2.20 Scale of development in identified locations will need to be sympathetic to the character of the villages; however the NPPF does support cases where larger scale developments will be permitted. Larger scale developments can attract developers who can operate using economies of scale to drive down the cost of development, ensuring that the greatest number of affordable housing can be built.

2.21 The policy includes a list of settlements classed as villages and hamlets, adapted from the policies HS1 and HS2 in the 1996 Local Plan. This list of settlements covers all known villages in the district and proposes that smaller development may be appropriate, with local acceptance that schemes will reflect the scale of development in these villages. A full list of these settlements can be found in Appendix 2.

2.22 Importantly, this policy incorporates recent guidance which explains in more detail what is understood by viability and competitive return. To unlock development, we need to incentivise land owners and developers to bring sites forward by offering them a reasonable return for their land/risk. The Council are currently modelling a number of land types to investigate competitive returns for both land owners and developers. In determining planning applications in these areas, it may be justified to permit open market housing to ensure that parties involved in development are suitably incentivised to bring forward land.

2.23 Housing Targets

2.24 As part of our housing strategy for the Local Plan, we intend to review our housing targets. Our approach for taking control of our own figures can be found in the corresponding technical paper. In summary, we propose to move away from the targets for growth set in the Regional Spatial Strategy (RSS), which were formally taken through Eden's Core Strategy. The NPPF requires that we assess the **"full, objectively assessed needs for market and affordable housing in the housing market area"[1].** Figures set in the RSS were derived by looking at a number of factors including previous rates of delivery, population forecasts and estimated employment growth as drivers for establishing a housing target. These figures presented a 'high growth' scenario, based on estimated forecasts of economic activity.

2.25 We are choosing to revisit our housing targets to ensure that we are compliant with the National Planning Policy Framework and have an up to date assessment of how much housing is needed in the district. Our new housing figures have been quantified by using national and local data, to establish both affordable and open market housing, and take a blend of household projections and affordable housing need information to establish a preferred option for the amount of new housing to be built over the years 2014-to 2031.

2.26 The model we have used produces a projected range of housing need, based on lower or higher thresholds. The preferred option of the Council is to adopt a new figure of **200** units per annum, which applied over a 18 year period, between 2014-2031, equates to **3,600** additional units.

2.27 This figure is slightly lower than the target of 239 units per annum, set in the RSS. We would also propose to change the plan period, which would cover a 15 year period, plus the next 3 years to adoption. Though the Core Strategy was also prepared to a 15 year life, the housing strategy behind it ran from 2003, which effectively gave it a 22 year housing target.

2.28 How have the targets been incorporated?

2.29 The different strategies outlined below account for the total figure, and set out how we could proportion this to the different settlement hierarchies in Eden. The exception to this is Option 2, which proposes a settlement hierarchy and housing target which is based on proportionate growth in each of the development areas in Eden. Based on 1% growth, the total number of

[1] NPPF (Paragraph 47)

units that could be delivered under this option is **3,687** units, 138 units higher than the target in other options.

2.30 How have we accounted for past development?

2.31 Operating against current targets, we currently have a shortfall of housing compared to existing targets, due to lower than expected completion rates. We propose to account for this shortfall by working out an up to date figure for unmet housing need (known as the backlog) and incorporating this need into future housing targets. Our strategy proposes to remove the existing backlog over time and building enough housing to meet any housing need that might arise over the life of the plan.

2.32 In each of the scenarios, we have discounted committed development from the overall housing target. This includes all known development with an extant planning permission or under construction. Following the method used in our housing land supply, we have taken a view that not all of our smaller committed sites will come forward. Therefore of all our sites less than 10 units have been applied a 25% buffer, which presents a realistic view of sites which are unlikely to be delivered during the plan period.

3. Option 1 - Preferred Option: Supporting settlements and services

Growth Option 1	New Plan	Distribution	Site Allocations	Commitments	To allocate	Annual Requirement	Affordable Housing
Target	**3600**	100%					
Towns							
Penrith	1800	50%	Yes	391	1409	78	30%
Alston	144	4%	Yes	55	89	5	30%
Appleby	324	9%	Yes	183	141	8	30%
Kirkby Stephen	252	7%	Yes	81	171	10	30%
Total Towns	**2520**	**70%**		**710**	**1810**	**101**	
Rural Areas							
Key Hubs	720	20%	Yes	314	406	23	30%
Villages and Hamlets	360	10%	No	405	0	0	Market Enabled
Rural Exceptions	0	0%	No	~	0	0	100%
Total Rural	**1080**	**30%**		**719**	**406**	**23**	
Total	**3600**	**100%**		**1429**	**2216**	**124**	

(Note: figures for rural areas in the ‘difference from CS targets’ are reported as ‘not applicable’ due to a change in the distribution strategy which means they are not directly comparable with the distribution set out in existing policy).

3.1 Principal Town - Main centre for growth

- Penrith

3.2 Market Towns - Strategic areas of growth

- Alston
- Appleby
- Kirkby Stephen

3.3. Key Hubs - Supporting settlements

- Armathwaite
- Brough and Church Brough
- Clifton
- Greystoke
- Hackthorpe
- High Hesket
- Kirkby Thore
- Langwathby
- Lazonby
- Low Hesket
- Nenthead
- Orton
- Plumpton
- Ravenstonedale
- Shap
- Stainton
- Tebay
- Temple Sowerby
- Warcop
- Yanwath

3.4 The key hubs will serve as areas of local growth, which offer a range of key services to sustain surrounding villages. To qualify as a key hub, a settlement must have the following core facilities:

- Daily public transport to larger centres. To qualify, a settlement must have either a bus or rail service to a town either within, or outside of Eden.
- Either a GP surgery, or a primary school

3.5 As the plan is implemented, the number of services and facilities within a settlement may increase or decrease. The list of key hubs are considered resilient to future change, however may be susceptible to changes in service provision. If a settlement is to gain or lose key hub status, this will be accounted as part of a review of the Local Plan.

3.6 Villages and Hamlets - Development to meet local needs. Defined as:

Aiketgate, Ainstable, Blencarn, Blencow, Bolton, Brackenber, Brampton, Brough Sowerby, Brougham, Burrels, Calthwaite, Catterlen, Cliburn, Colby, Crackenthorpe, Croglin, Crosby Garrett, Crosby Ravensworth, Culgaith, Drybeck, Dufton, Eamont Bridge, Edenhall, Ellonby, Gaisgill, Gamblesby, Garrigill, Glassonby, Great Asby, Great Musgrave, Great Ormside, Great Salkeld, Great Strickland, Hartley, High Bank Hill, Hilton, Hoff, Hunsonby, Hutton End, Ivegill, Johnby, Kaber, Keld, Kelleth, Kings Meaburn, Kirkland, Kirkoswald, Knock, Laithes, Lamonby, Little Asby, Little Musgrave, Little Salkeld, Little Strickland, Long Marton, Longdale, Maulds Meaburn, Melkinthorpe, Melmerby, Milburn, Millhouse, Morland, Motherby, Murton, Nateby, Newbiggin (Ains.), Newbiggin on lune, Newbiggin (Dacre), Newbiggin (TS), Newby, Newton Reigny, North Dykes, Ousby, Outhgill, Reagill, Renwick, Roundthwaite, Ruckcroft, Salkeld

Dykes, Sandford, Skelton, Skirwith, Sleagill, Sockbridge and Tirril, Soulby, Southwaite, Unthank, Waitby, Winskill, Winton.

3.7 Small scale development will be permitted in these locations, to support the development of diverse and sustainable communities. Development will be limited to infill sites or rounding off existing development in settlements.

3.8 Development in these locations will be limited to meet local housing need. It may be the case that some sites cannot be realistically delivered without permitting some open market housing to unlock development. If viability issues can be demonstrated to the Council, an element of open market housing will be permitted, to ensure that land owners and developers secure a reasonable rate of return for their investment.

3.9 Rural Exceptions

3.10 The Core Strategy and Housing SPD set out guidelines to restrict development outside of the Key and Local Service Centres. This required that all new schemes were restricted to 100% affordable housing. The Housing SPD clarified the nature of a rural settlement as a coherent group of 3 or more dwellings and did not permit isolated rural development, unless it was associated with rural enterprise.

3.11 The approaches set out in this policy seek to review this definition. For the purposes of the settlement hierarchy, all settlements have been identified by name, either as a Principal town, market town, key hub or village/hamlet. Outside of this settlement list, all new proposals will be considered rural exceptions.

3.12 How and why has this approach been defined?

3.13 This option promotes a slightly different pattern of development than in the Core Strategy, though retains the same thrust of sustainable development. In terms of distribution, the key change is that 10% of the development contribution has been removed from Penrith and moved to the settlements identified as villages and hamlets. The figure of 60% growth proposed in the Core Strategy was discussed during the Examination in Public for the document. Whilst the inspector found that the figure was justified, she did note that there was a reliance on all sites coming forward for development, presenting a risk for the deliverability of the strategy. Option 1 proposes to move 10% of its housing target for Penrith, to be distributed to Eden’s villages and hamlets. By reducing this figure to 50%, we can reduce risks to deliverability by demonstrating we have a flexible supply of housing sites in our main town, and redistribute the additional 10% to the smaller villages and settlements.

3.14 We would not propose to allocate to the smaller settlements, thus the 10% figure would be classed as a windfall allowance. Evidence of housing permissions over the past 10 years show that windfall permissions remain a strong part of our historical supply, with a strong market to develop in these areas. On this basis, there is evidence to support the inclusion of windfall sites, which make a small contribution to the overall supply. In reality, there are currently more commitments in these locations than the target for this scenario. This would not infer that there would be a cap on development in these areas, though it would be likely that the provision of housing in these areas would exceed the target, if significant housing came forward to meet local need.

3.15 Why have we chosen this option?

- It reduces the overall provision in Penrith, which reflects an allocation that is more likely to be delivered in the 15 year plan period.
- It recognises that small scale rural development has been and will continue to be a source of housing supply in Eden, which is reflected in a small allocation to these areas.
- It produces a set of village hubs considered to be resilient and unlikely to change
- It aims to encourage more affordable housing in rural areas.

3.16 How does this strategy differ from that in the Core Strategy?

3.17 **Penrith:** This will still be the principal growth area for the district. The 50% split requires that we complete 120 units annually in the town, a figure which is more attainable over the plan period.

3.18 **Alston:** There is no change in the distribution to Alston. Whilst we are aware that the town has suffered from a lack of market demand in the area which could justify a drop in the figure we have retained the existing target to anticipate a growth in employment opportunities in the area, and help support existing services.

3.19 **Appleby:** Though the percentage split for Appleby remains the same, figures are higher than in the previous ‘Preferred Options document’ because of the longer time frame over which they run (the Local Plan will extend the existing Core Strategy time frame a further seven years to 2031).

3.20 **Kirkby Stephen:** Increasing commitments in the town have reduced the requirement for Kirkby Stephen slightly.

3.21 **Key Hubs:** This area has seen the most significant increase. The new selections of LSCs have fewer commitments than the 38 in the previous ‘preferred options’ list. In addition, removing the significant number of past completions from the emerging figure has boosted the requirement in these areas. Using the current list each LSC would, on average, be required to assume an allocation of 21 units over the plan period.

3.22 **Villages and Hamlets:** This is a new distribution afforded to the list of settlements identified in the below policy (taken from policies HS1 and HS2 of the 1996 Local Plan). Significant commitments in these areas effectively rule out an allocation to these settlements. Additional mechanisms will be developed to facilitate new housing in these areas.

3.23 **Exception Sites:** These are locations outside of the KSCs/LSCs/Rural settlements. Development in these locations will be limited to single units to meet local affordable need. In this sense, the approach remains unchanged.

3.24 How does this score against sustainability criterion?

3.25 To be confirmed.

3.26 How will this affect the current policy framework?

	Changes to Policy?	Comments
Core Strategy	Para. 4.8 (LSC definition)	Definition adjusted to reflect new criteria in policy.
	Para. 4.13 (Housing distribution)	Development splits adjusted to reflect new percentages.
	CS2: Locational Strategy	Policy to be amended to reflect new hierarchy of settlements.
	CS3	Thrust of policy will remain, though will need to be amended in section 1 to reflect definition of rural settlements and affordable housing requirement
	CS9	Policy deleted to be replaced by exceptions section in new policy.
Housing SPD	Para. 4.1.1 (Housing on Exception Sites)	Section to be superseded by new policy, which redefines approach to housing in rural areas. In particular, definition of settlement will be changed from 3+ units, to list of defined settlements in policy.

4. Option 2: Proportionate Growth

Growth Option 2	New Plan	Distribution	Site Allocations	Commitments	To allocate	Annual Requirement	Affordable Housing
Target	**3687**	100%					
Towns							
Penrith	1342	36%	Yes	394	948	53	30%
Alston	109	3%	Yes	56	53	3	30%
Appleby	274	7%	Yes	179	95	5	30%
Kirkby Stephen	177	5%	Yes	109	68	4	30%
Total Towns	**1902**	**52%**		**738**	**1164**	**65**	
Rural Areas							
Key Hubs	871	24%	Yes	298	573	32	30%
Villages and Hamlets	914	25%	No	386	528	29	Market Enabled
Rural Exceptions	0	0%	No	~	0	0	100%
Total Rural (Core Strategy)	**1785**	**48%**		**684**	**1101**	**61**	
Total	**3687**	**100%**		**1422**	**2265**	**126**	

4.1 Principal Town - Main centre for growth

- Penrith

4.2 Market Towns - Strategic areas of growth

- Alston
- Appleby
- Kirkby Stephen

4.3 Key Hubs - Supporting settlements

- Armathwaite
- Brough and Church Brough
- Clifton
- Greystoke
- Hackthorpe
- High Hesket
- Kirkby Thore
- Langwathby
- Lazonby
- Low Hesket
- Nenthead
- Orton
- Plumpton
- Ravenstonedale
- Shap
- Stainton
- Tebay
- Temple Sowerby
- Warcop
- Yanwath

4.4 The key hubs will serve as areas of local growth, which offer a range of key services to sustain surrounding villages. To qualify as a key hub, a settlement must have the following core facilities:

- Daily public transport to larger centres. To qualify, a settlement must have either a bus or rail service to a town either within, or outside of Eden.
- Either a GP surgery, or a primary school

4.5 As the plan is implemented, the number of services and facilities within a settlement may increase or decrease. The list of key hubs are considered resilient to future change, however may be susceptible to changes in service provision. If a settlement is to gain or lose key hub status, this will be accounted alongside the wider review of the Local Plan.

4.6 Villages and Hamlets - Development to meet local needs. Defined as:

Aiketgate, Ainstable, Blencarn, Blencow, Bolton, Brackenber, Brampton, Brough Sowerby, Brougham, Burrels, Calthwaite, Catterlen, Cliburn, Colby, Crackenthorpe, Croglin, Crosby Garrett, Crosby Ravensworth, Culgaith, Drybeck, Dufton, Eamont Bridge, Edenhall, Ellonby, Gaisgill, Gamblesby, Garrigill, Glassonby, Great Asby, Great Musgrave, Great Ormside, Great Salkeld, Great Strickland, Hartley, High Bank Hill, Hilton, Hoff, Hunsonby, Hutton End, Ivegill, Johnby, Kaber, Keld, Kelleth, Kings Meaburn, Kirkland, Kirkoswald, Knock, Laithes, Lamonby, Little Asby, Little Musgrave, Little Salkeld, Little Strickland, Long Marton, Longdale, Maulds Meaburn, Melkinthorpe, Melmerby, Milburn, Millhouse, Morland, Motherby, Murton, Nateby, Newbiggin (Ains), Newbiggin on lune, Newbiggin (Dacre), Newbiggin (TS), Newby, Newton Reigny, North Dykes, Ousby, Outhgill, Reagill, Renwick, Roundthwaite, Ruckcroft, Salkeld Dykes, Sandford, Skelton, Skirwith, Sleagill, Sockbridge and Tirril, Soulby, Southwaite, Unthank, Waitby, Winskill, Winton.

4.7 Small scale development will be permitted in these locations, to support the development of diverse and sustainable communities. Development will be limited to infill sites or rounding off existing development in settlements.

4.8 Development in these locations will be limited to meet local housing need. It may be the case that some sites cannot be realistically delivered without permitting some open market housing to unlock development. If viability issues can be demonstrated to the Council, an element of open market housing will be permitted, to ensure that land owners and developers secure a reasonable rate of return for their investment.

4.9 Rural Exceptions

4.10 Subject to consultation, we consider the list of settlements in this policy comprehensive. Domestic housing will not be permitted in the open countryside. Rural exceptions housing (affordable housing only) in or adjacent to small clusters of housing may be permitted where there is evidence of justified housing need, and will be required to remain affordable in perpetuity.

4.11 The targets for the Principal and Market Towns should be considered minimum targets for growth. We will look favourably at additional sites within these centres, where sustainable development is promoted and there are no significant impacts that cannot be mitigated against.

4.12 Outside of the towns, development will be permitted to settlements evenly, based upon the current size of the village as an indicator for natural growth. The below table includes permissible rates of development that are considered acceptable in each settlement.

4.13 How and why has this approach been defined?

4.14 Outside the key market towns, this scenario proposes an incremental approach to growth. By taking an indicative boundary of each settlement, it has been possible to quantify how many houses are in each settlement. This approach would permit an annual growth of 1% of the housing stock, which would be permitted over the plan period. In this way it is a similar approach to the one adopted for the more rural areas in the Upper Eden Neighbourhood Plan (although this applies to the wider Parish Area). Applying this 1% approach would result in a potential of 1,785 houses in Eden’s villages.

4.15 Under this option, we would support the development of Eden’s villages to grow by 1% of its current size. The towns have also been given a 1% growth figure; however, additional development would be permitted in these locations, reflecting the strategic importance of these areas in creating sustainable centres for new development.

Town	Council Tax Properties (September 2013)	1% Growth Over Plan Period	Town	Council Tax Properties (September 2013)	1% Growth Over Plan Period
Alston	606	109	Kirkby Stephen	986	177
Appleby	1523	274	Penrith	7458	1342

4.16 For the purposes of the following table, settlements in blue have been defined as Key Hubs the villages and hamlet have been coloured orange.

Settlement	Council Tax Properties (September 2013)	1% Growth Over Plan Period	Settlement	Council Tax Properties (September 2013)	1% Growth Over Plan Period
Aiketgate	12	2	Lamonby	29	5
Ainstable	80	14	Langwathby	274	49
Armathwaite	158	28	Lazonby	384	69
Blencarn	57	10	Little Asby	14	3
Blencow	40	7	Little Musgrave	14	3
Bolton	172	31	Little Salkeld	54	10
Brackenber	12	2	Little Strickland	18	3
Brampton	44	8	Long Marton	180	32
Brough and Church Brough	318	57	Longdale	10	2
Brough Sowerby	57	10	Low Hesket	125	23
Brougham	33	6	Maulds Meaburn	69	12
Burrels	40	7	Melkinthorpe	33	6
Calthwaite	90	16	Melmerby	99	18
Catterlen	55	10	Milburn	59	11
Cliburn	117	21	Millhouse	15	3
Clifton	198	36	Morland,	166	30
Colby	61	11	Motherby	54	10
Crackenthorpe	25	5	Murton	56	10
Croglin	39	7	Nateby	49	9
Crosby Garrett	65	12	Nenthead	159	29
Crosby Ravensworth	82	15	Newbiggin (Ains)	30	5

Settlement	Council Tax Properties (September 2013)	1% Growth Over Plan Period	Settlement	Council Tax Properties (September 2013)	1% Growth Over Plan Period
Culgaith	208	37	Newbiggin on lune	64	12
Drybeck	10	2	Newbiggin (Dacre)	104	19
Dufton	93	17	Newbiggin (TS)	36	6
Eamont Bridge	144	26	Newby	66	12
Edenhall	55	10	Newton Reigny	110	20
Ellonby	25	5	North Dykes	23	4
Gaisgill	24	4	Orton	163	29
Gamblesby	77	14	Ousby	62	11
Garrigill	66	12	Outhgill	23	4
Glassonby	39	7	Plumpton	142	26
Great Asby	119	21	Ravenstonedale	93	17
Great Musgrave	26	5	Reagill	20	4
Great Ormside	45	8	Renwick	56	10
Great Salkeld	152	27	Roundthwaite	18	3
Great Strickland	81	15	Ruckcroft	23	4
Greystoke	273	49	Salkeld Dykes	24	4
Hackthorpe	133	24	Sandford	45	8
Hartley	58	10	Shap	592	107
High Bank Hill	27	5	Skelton	136	24
High Hesket	117	21	Skirwith	73	13
Hilton	52	9	Sleagill	35	6
Hoff	9	2	Sockbridge and Tirril	209	38
Hunsonby	37	7	Soulby	73	13

Settlement	Council Tax Properties (September 2013)	1% Growth Over Plan Period	Settlement	Council Tax Properties (September 2013)	1% Growth Over Plan Period
Hutton End	17	3	Southwaite	39	7
Ivegill	69	12	Stainton	405	73
Johnby	22	4	Tebay	318	57
Kaber	21	4	Temple Sowerby	185	33
Keld	19	3	Unthank	31	6
Kelleth	12	2	Waitby	11	2
Kings Meaburn	36	6	Warcop	153	28
Kirkby Thore	319	57	Wharton	5	1
Kirkland	8	1	Winskill	63	11
Kirkoswald,	213	38	Winton	95	17
Knock	30	5	Yanwath	115	21
Laithes	23	4			

4.17 Guided by principles in the NPPF, this option retains the Key Hub criteria for development. Whilst proportionate growth will be permitted in all locations, the NPPF requires us to promote development in the more sustainable centres. As settlement size does not always align with the sustainability of a settlement, the Key Hubs definition acts as a proxy for identifying which areas should be promoted for strategic development. On this basis, the Key Hubs will be permitted to grow under the affordable housing requirement designed for sustainable locations. All settlements outside this hierarchy will be permitted only enough market housing to enable affordable housing.

4.18 The targets for growth have been defined by looking at existing dwelling provision in the towns and villages, rather than future need. The two numbers are, however, very similar. Under this option, there would be an additional 141 units. We recognise that this option promotes very low numbers for Eden’s towns and is reliant on affordable led growth in Eden’s villages.

4.19 Why have we not chosen this option?

- Reduced certainty for local community and developers on future location of housing when applied across the whole district.
- This option does not perform as well in sustainable development terms, leading to more dispersed development and reliance on the car as the primary mode of transport.

- A growth strategy based on past rates of development presents a rurally focussed distribution dependent upon small scale growth in Eden's villages to meet its targets. Reliant on windfall growth, this option may lead to wider deliverability concerns that the planned targets cannot be met.
- It may reduce the ability of the district council to maintain an identified land supply, in line with Government planning guidance.
- Logistically, this policy may also prove difficult to monitor. Presently we monitor rates of development within our hierarchy of settlements. If this is expanded to include all settlements it would make monitoring the cumulative impact of development very difficult.

4.20 How does this strategy differ from that in the Core Strategy?

4.21 This strategy differs not only in terms of the hierarchical structure, but the strategy for distribution. This presents a radically different option, defined by past growth, rather than planning for future need.

4.22 Penrith: This will still be the principal growth area for the district. Based upon a 2% growth rate of current housing stock, there will be a requirement for 2237 new units in the town, which is 86 units greater than that in the existing policy.

4.23 Alston: There will be little change in the way Alston is distributed. Without growth in employment opportunities in the area, the town is likely to suffer from a lack of market demand in the area.

4.24 Appleby: Based on the existing dwelling stock, this option for housing greatly increases the requirement for the town, almost doubling the requirement set in other growth options.

4.25 Kirkby Stephen: Increasing commitments in the town have reduced the requirement for KS slightly however the increase is not as great as in other settlements.

4.26 Key Hubs: Whilst this policy seeks to allocate less housing than in the current option, the reduction in key hubs also reduces the number of commitments in these areas. Overall, there is a slight increase to development in these areas.

4.27 Villages and Hamlets: The thrust of this policy option was to permit growth to all settlements. This approach includes a sizable allocation to the rural areas, which in total, would contribute to 16% of the total allocation.

4.28 Rural Exceptions: These are locations outside of the KSCs/LSCs/Rural settlements. Development in these locations will be limited to single units to meet local affordable need. In this sense, the approach remains unchanged.

4.29 How does this score against sustainability criterion?

4.30 The option for proportional growth scores less well than the Preferred Option as it performs more poorly in terms of accessing services and facilities, impacts on landscape, biodiversity and loss of soils.

4.31 How will this affect the current policy framework?

	Changes to Policy?	Comments
Core Strategy	Para. 4.8 (LSC definition)	Definition adjusted to reflect new criteria in policy.
	Para. 4.13 (Housing distribution)	Development splits adjusted to reflect new percentages.
	CS2: Locational Strategy	Policy to be amended to reflect new hierarchy of settlements.
	CS3	Thrust of policy will remain, though will need to be amended in section 1 to reflect definition of rural settlements and affordable housing requirement
	CS9	Policy deleted to be replaced by exceptions section in new policy.
Housing SPD	Para. 4.1.1 (Housing on Exception Sites)	Section to be superseded by new policy, which redefines approach to housing in rural areas. In particular, definition of settlement will be changed from 3+ units, to list of defined settlements in policy.

5. Option 3: Retain Existing Criterion

Growth Option 3	New Plan	Distribution	Site Allocations	Commitments	To allocate	Annual Requirement	Affordable Housing
Target	**3600**	100%					
Towns							
Penrith	2160	60%	Yes	394	1766	98	30%
Alston	144	4%	Yes	56	88	5	30%
Appleby	324	9%	Yes	179	145	8	30%
Kirkby Stephen	252	7%	Yes	109	143	8	30%
Total Towns	**2880**	**80%**		**738**	**2142**	**119**	
Rural Areas							
Local Service Centres	720	20%	Yes	298	422	23	30%
Rural Exceptions	0	0%	No	386	0	0	100%
Total Rural (Core Strategy)	**720**	**20%**		**684**	**422**	**23**	
Total	**3600**	**100%**		**1422**	**2564**	**142**	

5.1 Key Service Centres - Strategic areas of growth

- Penrith
- Alston
- Appleby
- Kirkby Stephen

5.2 Local Service Centres - Supporting settlements

- Armathwaite
- Bolton
- Brough and Church Brough
- Calthwaite
- Clifton
- Croglin
- Crosby Ravensworth
- Culgaith
- Gamblesby
- Great Asby
- Greystoke
- Hackthorpe
- High Hesket
- Ivegill
- Kings Meaburn
- Kirkby Thore
- Kirkoswald
- Langwathby
- Lazonby
- Long Marton
- Maulds Meaburn
- Melmerby
- Milburn
- Morland
- Nenthead
- Orton
- Ousby
- Plumpton
- Ravenstonedale
- Renwick
- Shap
- Skelton
- Sockbridge and Tirril
- Stainton
- Tebay
- Temple Sowerby
- Warcop
- Yanwath

5.3 The Local Service Centres have a role to play in accommodating new development but on a scale in keeping with their character and community need. These are defined as settlements with a range of services and public/community based transport facilities where sustainable development can take place. The services required for a settlement to be declared a Local Service Centre are:

- To have a public/community transport link to a larger centre.

5.4 And to have 2 out of 3 of the following:

- A shop or post office
- A primary school

- A village hall or pub

5.5 Rural Exceptions

5.6 Small scale housing development will be permitted in rural settlements (around 3 or more contiguous dwellings) if it meets the following criteria:

- Provides 100% affordable housing to meet an identified local housing need.
- The development meets the sequential approach to land use set out in policy CS1 to the satisfaction of the Council. Evidence might be required to confirm that there are no suitable, available or achievable sequentially preferable sites prior to greenfield sites being released for development.
- The design of the proposed development would respect the character and quality of the natural and historic environment
- All normal site planning requirements are met.

5.7 How and why has this approach been defined?

5.7 This scenario has the advantage of being, up to a point, tried and tested. It was selected following past consultation and independent examination, and it is this distribution that developers currently consider when looking where to develop, meaning that consistency of approach would be maintained. However, we would need to re-examine it to see if it is working or needs modifying in some way.

5.8 Why have we not chosen this option?

- Diluted strategy for Key Hubs may reduce certainty in the development industry of suitable locations for growth.
- May reduce the ability of the district council to maintain an identified land supply, in line with Government planning guidance.
- Housing growth in Penrith may be difficult to deliver, without significant improvements to infrastructure.
- Option limits the amount of development outside of LSCs, which would lead to more negotiation in rural settlements, as para 54 of the NPPF is implemented.

5.9 How does this strategy differ from that in the Core Strategy?

5.10 In the main, this option replicates the criteria set out in paragraph 4.8 of the Core Strategy. The criteria for Local Service Centres will remain the same, updating the list to reflect any changes since 2010. The main change from the 2010 policy approach is the way in which rural exceptions are defined. Whilst it does not affect the targets, the policy does include a more permissive approach to housing in rural villages to support the delivery of affordable housing.

5.11 How does this score against sustainability criterion?

5.12 This focusses growth in Penrith and the three market towns but has not been shown to historically deliver housing in the District and continuing to focus 60% of development in Penrith is not considered to be a viable option.

5.13 How will this affect the current policy framework?

5.14 Under this option, there would be no change to the policy framework, which broadly corresponds with national guidance. The NPPF recognises the importance of rural housing development, and advocates the release of appropriate market housing to unlock affordable housing. This policy would allow the flexibility to do this, though it would have to be on a case by case basis.

5.15 The only slight change made to this option is the period in which the LSCs will be reviewed. The implementation section of this policy requires a review every 2 years. This was found to be difficult to administer and also bred uncertainty to developers regarding the status of settlements. This policy option would recommend that LSCs are reviewed at each juncture the Local Plan is reviewed.

	Changes to Policy?	**Comments**
Core Strategy	CS2: Locational Strategy	Implementation section of policy to be amended. Rather than the list of LSCs be reviewed every 2 years, this will occur when the Local Plan is reviewed.

6. Option 4: Align the distribution strategy more in line with past trends

Growth Option 4	New Plan	Distribution	Site Allocations	Commitments	To allocate	Annual Requirement	Affordable Housing
Target	**3600**	100%					
Towns							
Penrith	1188	33%	Yes	394	794	44	30%
Alston	108	3%	Yes	56	52	3	30%
Appleby	252	7%	Yes	179	73	4	30%
Kirkby Stephen	216	6%	Yes	109	107	6	30%
Total Towns	1764	**49%**			**1026**	**57**	
Rural Areas							
Key Hubs	1080	30%	Yes	298	782	42	30%
Villages & Hamlets	756	21%	No	386	370	21	Market Enabled
Rural Exceptions	0	0%	No	~	0	0	100%
Total Rural (Core Strategy)	**1836**	**51%**		**684**	**1152**	**64**	
Total	**3600**	**100%**		**684**	**2178**	**121**	

6.1 Principal Town - Main centre for growth

- Penrith

6.2 Market Towns - Strategic areas of growth

- Alston
- Appleby
- Kirkby Stephen

6.3 Key Hubs - Supporting settlements

- Armathwaite
- Brough and Church Brough
- Clifton
- Greystoke
- Hackthorpe
- High Hesket
- Kirkby Thore
- Langwathby
- Lazonby
- Low Hesket
- Nenthead
- Orton
- Plumpton
- Ravenstonedale
- Shap
- Stainton
- Tebay
- Temple Sowerby
- Warcop
- Yanwath

6.4 The key hubs will serve as areas of local growth, which offer a range of key services to sustain surrounding villages. To qualify as a key hub, a settlement must have the following core facilities:

- Daily public transport to larger centres. To qualify, a settlement must have either a bus or rail service to a town either within, or outside of Eden.
- Either a GP surgery, or a primary school

6.5 As the plan is implemented, the number of services and facilities within a settlement may increase or decrease. The list of key hubs are considered resilient to future change, however may be susceptible to changes in service provision. If a settlement is to gain or lose key hub status, this will be accounted alongside the wider review of the Local Plan.

6.6 Villages and Hamlets - Development to meet local needs. Defined as:

Aiketgate, Ainstable, Blencarn, Blencow, Bolton, Brackenber, Brampton, Brough Sowerby, Brougham, Burrels, Calthwaite, Catterlen, Cliburn, Colby, Crackenthorpe, Croglin, Crosby Garrett, Crosby Ravensworth, Culgaith, Drybeck, Dufton, Eamont Bridge, Edenhall, Ellonby, Gaisgill, Gamblesby, Garrigill, Glassonby, Great Asby, Great Musgrave, Great Ormside, Great Salkeld, Great Strickland, Hartley, High Bank Hill, Hilton, Hoff, Hunsonby, Hutton End, Ivegill, Johnby, Kaber, Keld, Kelleth, Kings Meaburn, Kirkland, Kirkoswald, Knock, Laithes, Lamonby, Little Asby, Little Musgrave, Little Salkeld, Little Strickland, Long Marton, Longdale, Maulds Meaburn, Melkinthorpe, Melmerby, Milburn, Millhouse, Morland, Motherby, Murton, Nateby, Newbiggin (Ains), Newbiggin on lune, Newbiggin (Dacre), Newbiggin (TS), Newby, Newton Reigny, North Dykes, Ousby, Outhgill, Reagill, Renwick, Roundthwaite, Ruckcroft, Salkeld Dykes, Sandford, Skelton, Skirwith, Sleagill, Sockbridge and Tirril, Soulby, Southwaite, Unthank, Waitby, Winskill, Winton.

6.7 Small scale development will be permitted in these locations, to support the development of diverse and sustainable communities. Development will be limited to infill sites or rounding off existing development in settlements.

6.8 Development in these locations will be limited to meet local housing need. It may be the case that some sites cannot be realistically delivered without permitting some open market housing to unlock development. If viability issues can be demonstrated to the Council, an element of open market housing will be permitted, to ensure that land owners and developers secure a reasonable rate of return for their investment.

6.9 Rural Exceptions

6.10 Subject to consultation, we consider the list of settlements in this policy comprehensive. Domestic housing will not be permitted in the open countryside. Rural exceptions housing (affordable housing only) in or adjacent to small clusters of housing may be permitted where there is evidence of justified housing need, and will be required to remain affordable in perpetuity.

6.11 How and why has this approach been defined?

6.12 This option has been designed to reflect past rates of approvals and completions over the past 10 years and use this to anticipate patterns of future demand. By taking a mean percentage of both completions and permissions, we can apply thresholds for new growth against past development.

Location	Completed	Permissions	Average (Mean)
Alston	2%	3%	3%
Appleby	5%	9%	7%
Kirkby Stephen	5%	7%	6%
Local Service Centres	27%	33%	30%
Other Areas	28%	13%	21%
Penrith	30%	35%	33%
Total	100%	100%	100%

6.13 Over the past ten years 51% of all housing has been permitted or completed outside of Eden's four main towns. This figure may be guided by strategies in operation prior to the Core Strategy, however, this still represents a strong demand for housing in the rural areas and as such a reliable source of future land supply.

6.14 This, coupled with likely strong demand from older households expected to move in or return to the area from elsewhere, attracted by the desirability of Eden's rural areas means this option needs considering. This option transfers 15% of potential housing from Penrith to the rural areas in comparison with our preferred option.

6.15 Rural Exceptions

6.16 Subject to consultation, we consider the list of settlements in this policy comprehensive. Domestic housing will not be permitted in the open countryside. Rural exceptions in or adjacent to small clusters of housing may be permitted where there is evidence of justified housing need, and will be required to remain affordable in perpetuity.

6.17 Why have we not chosen this option?

- The high rate of completions in rural areas compared to the towns masks a declining trend in completions in the rural areas outside current Local Services (likely to be the result of Core Strategy policy beginning to bite over time). Using a percentage comparison also masks the fact that the percentage of delivery in rural areas is high because of a corresponding lack of completions in most urban areas.
- This option does not perform as well in sustainable development terms, leading to more dispersed development and reliance on the car.
- Reducing development rates for Penrith means less housing to support Penrith's economy. It would also be advantageous to seek to boost more affordable housing in urban areas as a means of helping reduce the outflow of younger people from the district.

6.18 How does this strategy differ from that in the Core Strategy?

6.19 This strategy option seeks to emulate past rates of development that have occurred in the last 10 years. As growth in Eden's Key Service Centres has not been consistent, this has led to a strategy which gives greater weight to development in Eden's villages.

6.20 Penrith: Though still the principal centre, the proportion of growth distributed under this policy is nearly half that of the Core Strategy, proposing an allocation of less than 800.

6.21 Alston: There will be little change in the way Alston is distributed. This approach would lead to a slight decrease in development, reflecting poor performance in recent years. Without growth in employment opportunities in the area, the town is likely to suffer from a lack of market demand in the area.

6.22 Appleby: This option would lead to slightly less housing in Appleby. Though there has recently been a significant scheme approved in the town, past completions would balance the target for growth at a lower figure than set in the Core Strategy.

6.23 Kirkby Stephen: Until recently, there has been little completed development in the town, which is reflected in the figures. The overall target for Kirkby Stephen has reduced slightly, with 36 fewer houses required.

6.24 Key Hubs: Under this strategy, there would be a 10% increase in the distribution towards these centres. The effects of this would be compounded due to a proposed reduction in the number of hubs. This would lead to the distribution of 775 units to 20 locations, instead of the 38 proposed in the Core Strategy.

6.25 Villages and Hamlets: This policy option awards the highest percentage of growth to the villages and hamlets out of the 4 approaches. Though the numbers of permissions have gradually reduced as the Core Strategy has been implemented, there have still been a number of historical consents completed in the past 10 years. Accounting for committed development, there would be a requirement for an additional 370 units in these areas.

6.25 **Rural Exceptions:** These are locations outside of the KSCs/LSCs/Rural settlements. Development in these locations will be limited to single units to meet local affordable need. In this sense, the approach remains unchanged.

6.26 How does this score against sustainability criterion?

6.27 This has the least focus on Penrith and the three market towns and performs poorly in terms of housing, landscape quality and soil protection and is not considered to represent the most sustainable pattern of development when compared to the Preferred Option.

6.28 How will this affect the current policy framework?

	Changes to Policy?	**Comments**
Core Strategy	Para. 4.8 (LSC definition)	Definition adjusted to reflect new criteria in policy.
	Para. 4.13 (Housing distribution)	Development splits adjusted to reflect new percentages.
	CS2: Locational Strategy	Policy to be amended to reflect new hierarchy of settlements.
	CS3	Thrust of policy will remain, though will need to be amended in section 1 to reflect definition of rural settlements and affordable housing requirement
	CS9	Policy deleted to be replaced by exceptions section in new policy.
Housing SPD	Para. 4.1.1 (Housing on Exception Sites)	Section to be superseded by new policy, which redefines approach to housing in rural areas. In particular, definition of settlement will be changed from 3+ units, to list of defined settlements in policy.

6.29 Discounted Key Hub Methodologies

6.30 Our preferred option was defined by determining which services would be more resilient to future change. Since the Core Strategy was adopted in 2010 ten settlements have lost services which would technically remove them as Local Service Centres. Within this time, 2 new settlements have been added, based on information that was missed during the last village surveys in 2008. The removals have been more pronounced in the Upper Eden area, where there has been a loss in public transport, but settlements have also lost shops and post offices in the past 2 years.

6.31 The one constant when looking at approaches for a settlement hierarchy was the provision of alternative modes of transport. This follows one of the main thrusts of the NPPF, which advises that Local Plans direct development to locations that promote a range of alternative modes of transport for sustainable travel. This will always be difficult for an area such as Eden, as the population is dispersed throughout the district, in locations that would not be viable to operate public transport initiatives. Following the NPPF, we have presented growth options that do not disadvantage those settlements without public transport, but do direct more development to areas that offer more realistic choice of transport options.

6.32 The following options were tested using different criteria, though have not been taken forward for reasons underlined below.

6.33 Option 1: Refine existing criteria

6.34 One of the key modifications made in the later stages of the Core Strategy was to change the definition of the LSCs to encompass all forms of public transport, rather than those with regular services. Due to the large number of villages served by community led transport initiatives, this increased the number of LSCs from 24 to 46. One possible solution to make this policy more sustainable would be to revert back to that original criterion, which would condense the list into a more sustainable list of settlements. This option would depend on the sustainability of services such as public houses, shops and post offices. Since the Core Strategy, these services have been placed under considerable pressure. Under our policy framework we will continue to preserve services where feasible, however there is less stability in using these services as indicators to local sustainability.

6.35 Option 2: Variation of new criteria

6.36 The new criteria for Key Hubs has been based on village services that are less likely to change in the future. We did look at ways in which the criteria could be adjusted, which would produce a different set of settlements. This included looking at the list of services noted in the NPPF[2]. Due to the size of Eden's villages, many do not support some of the services on this list and it is difficult to determine which are more important than others. Closures of a number of village services over the past 3 years, suggested by changing consumer trends, would make it difficult to rely on these services as resilient to change.

6.37 Option 3: Hubs and Hamlets

6.38 Paragraph 55 of the NPPF deals directly with sustainable development in rural areas, recommending that housing should be located where it can support clusters of villages, recognising that rural service provision can be sparsely located. On this basis we looked at smaller villages, which could access services in nearby larger settlements.

6.39 Using the new set of key hubs as the larger centres, we calculated how many villages these centres served within a 2km radius. The figure of 2km was adopted from the guidance in the now revoked PPG13, which recommends that 2km is the maximum walking distance that people can be expected to walk. Using the market towns and key hubs, this buffer brought in 14 additional settlements. Increasing this boundary to 3.5km, which is halfway between the maximum walking and cycling distances.

[2] Paragraph 28: Retain and support services including shops, meeting places, sports venues, cultural buildings, public houses and places of worship.

6.40 In reality, this approach is overly mechanistic, and does not account for local conditions such as topography, road quality and safe access for walking/cycling. The use of private motor vehicles still remains the dominant mode of transport for reaching employment in Eden. Given the sparse nature of the district, this is understandably higher than the regional and national averages[3].

6.41 Option 4: Remove the criteria all together

6.42 Under this option, allocations would only be directed to Eden's 4 main towns. We do however still have an obligation to the rural areas in boosting supply. This approach would be reliant on windfall sites, led by the market or emerging neighbourhood group, to come forward with suitable proposals for new housing.

6.43 As we would have less influence in the general villages for development, there is a risk that housing will come forward in less sustainable locations, which would need to be determined on a case by case basis. This option would present less certainty to our Development Management team and the house builders about which areas are suitable for growth and may lead to difficulties in meeting our housing targets for the rural areas.

6.44 Discounted Options

6.45 A scenario based on the capacity of places to accommodate new development, based on availability of land and known developer interest. Whilst this is a superficially logical scenario the difficulty with this option is that the size of the district means that it has way more potentially developable housing land than would be needed or desirable to build. To illustrate, the 150 sites that were suggested as part of the 'Alternative Sites' consultation back in 2008 would yield 8,000 houses on their own. There is therefore no shortage of capacity.

6.46 A scenario based on existing commitments (planning permissions and sites under construction). Again, this makes some sense. However, in calculating the housing figures for allocations these commitments are taken into account and the overall amount would be reduced to take account of them in each area. If you take them as an indicator of potential demand you would then run the risk of putting new houses in areas where permissions already exists. Conversely if we try to allocate elsewhere on the basis that this would be allocating housing where no housing was currently planned there is a risk that we would be directing housing to unsuitable areas or areas with little demand.

[3] England: 40% of trips to work, NW: 41.6%, Eden: 43.5%. Census: Travel to Work Data (2011)

6.47 Risks to Strategy

6.48 The following section contains a number of potential questions that may be raised through our strategy, which we have addressed from the outset.

Potential Questions	**How we have approached it**
The list of settlements detailed in Appendix 2 is considered out of date	The list includes 106 settlements in Eden, ranging from smaller hamlets to large villages. We do not consider that there has been significant development since 1996 that would lead to the creation of new hamlets. We would however welcome comments on the list through public consultation.
The list of criteria needed to be considered a Key Hub needs to be changed.	The new criterion greatly reduces the variables involved in the designation of Key Hubs. There are many ways in which a criteria could be established, based on various We are also mindful of external factors which may present risks to our strategy. Cumbria County Council are currently investigating ways in which they can reduce their capital spending programme as part of a budget reform. This includes reviewing the way they subsidise bus services around the County. There are a number of services in Eden which potentially may be affected by the cuts, placing pressure on the services to continue in the way they currently operate. We would not anticipate any of the key routes on which a number of Key Hubs lie cease to operate, though we need to acknowledge that some of the transport routes may be at risk. In addition to this, the County Council are also responsible for the funding of school buildings. Though processes for school closures are lengthy, the strain on smaller, more remote schools may increase as the Council strive to offer the best value for money for Cumbria. Equally, there may also be a risk that the NHS decide upon a different strategy for rural health facilities. As our plan develops, we will work closely with the different departments in the County Council and the NHS to anticipate any future services that may impact upon our criteria for Key Hubs.
Why have the hierarchy of towns not been given more consideration?	We consider that Eden's towns are well defined, and contain a range of features which distinguish them from the larger villages. In terms of economic resilience, all of the towns are capable of more growth and we would consider that as the development industry moves into recovery, these locations will grow according to rates in our development strategy. We have taken the decision to separate Penrith from the other market towns to reflect that it is our largest centre, and will be considered for more substantial growth over the plan period.

Potential Questions	How we have approached it
The evidence for choosing the percentages is unclear	The thresholds for developing options 2 and 4 have been directly linked to settlement size and past trends in development. Whilst option 3 has been taken directly from the distribution strategy in the Core Strategy, our preferred option, option 1, presents a slightly adjusted pattern of development. This includes a growth figure for Penrith which is based on the relative sustainability of the town and reflects the capacity for additional development. The justification for the 60% proportion of development in the Core Strategy was based on the role that the town played in delivering sustainable objectives. We want to continue to ensure that our spatial strategy recognises that Penrith should still be the focus for new growth. As such, the housing target for the town is higher than past rates of development, but lower than the Core Strategy target, which has proven difficult to deliver in the past 3 years. Carlisle CC have recently been guided by advice from the Planning Inspectorate, who have suggested that a 10% windfall rate is appropriate. We consider this a suitable proxy to account for naturally occurring levels of growth in Eden.

7. Conclusions

- The NPPF requires that we define a settlement hierarchy that is resilient to change, promotes the retention of local facilities and the use of sustainable transport methods.
- The current settlement distribution does not fully account for the role that rural areas can play in supporting housing growth in the district.
- By changing our distribution strategy, we can explore ways in which we can help offer greater support to Eden's villages and create a list of centres which will promote strategic growth.
- Four have been developed to reflect a range of scenarios, reflecting evidence and potential options for growth. The new growth options redefine the list of settlements in Eden, offering greater certainty to which locations will be appropriate for growth and reduce sprawl into the open countryside.
- Of the scenarios for growth, Option 1 is our preferred strategy. This involves a slight reduction in the distribution for Penrith, which is redirected to the rural villages. This strategy will also involve less risk for Penrith, as it remains the focus for development but provides a more deliverable figure for growth. Overall, this presents a more balanced option that the current distribution strategy (option 3).
- Options 2 and 4 have been devised to reflect growth that is proportionate and related to past rates of development. These options shifted the emphasis for development away from the towns to the villages, which would present a less favourable model for sustainable growth in the district.

Appendix 1: Housing Completions and Permissions

Eden Housing Permissions	Alston	Appleby	Kirkby Stephen	Local Service Centres	Other Areas	Penrith	Grand Total
April 2003 - March 2004	4	1	6	84	56	39	190
April 2004 - March 2005	2	1	0	1	7	49	60
April 2005 - March 2006	2			16	11	26	55
April 2006 - March 2007	3	2	1	23	9	32	70
April 2007 - March 2008	14	17	13	6	8	42	100
April 2008 - March 2009	17	6	12	49	15	41	140
April 2009 - March 2010	4	2	10	156	70	81	323
April 2010 - March 2011	13	2	12	105	18	220	370
April 2011 - March 2012	2		69	95	20	30	216
April 2012 - March 2013	1	3	1	60	30	113	208
April 2013 - September 2014	4	142	9	60	14	23	252
Grand Total	66	176	133	655	258	696	1984

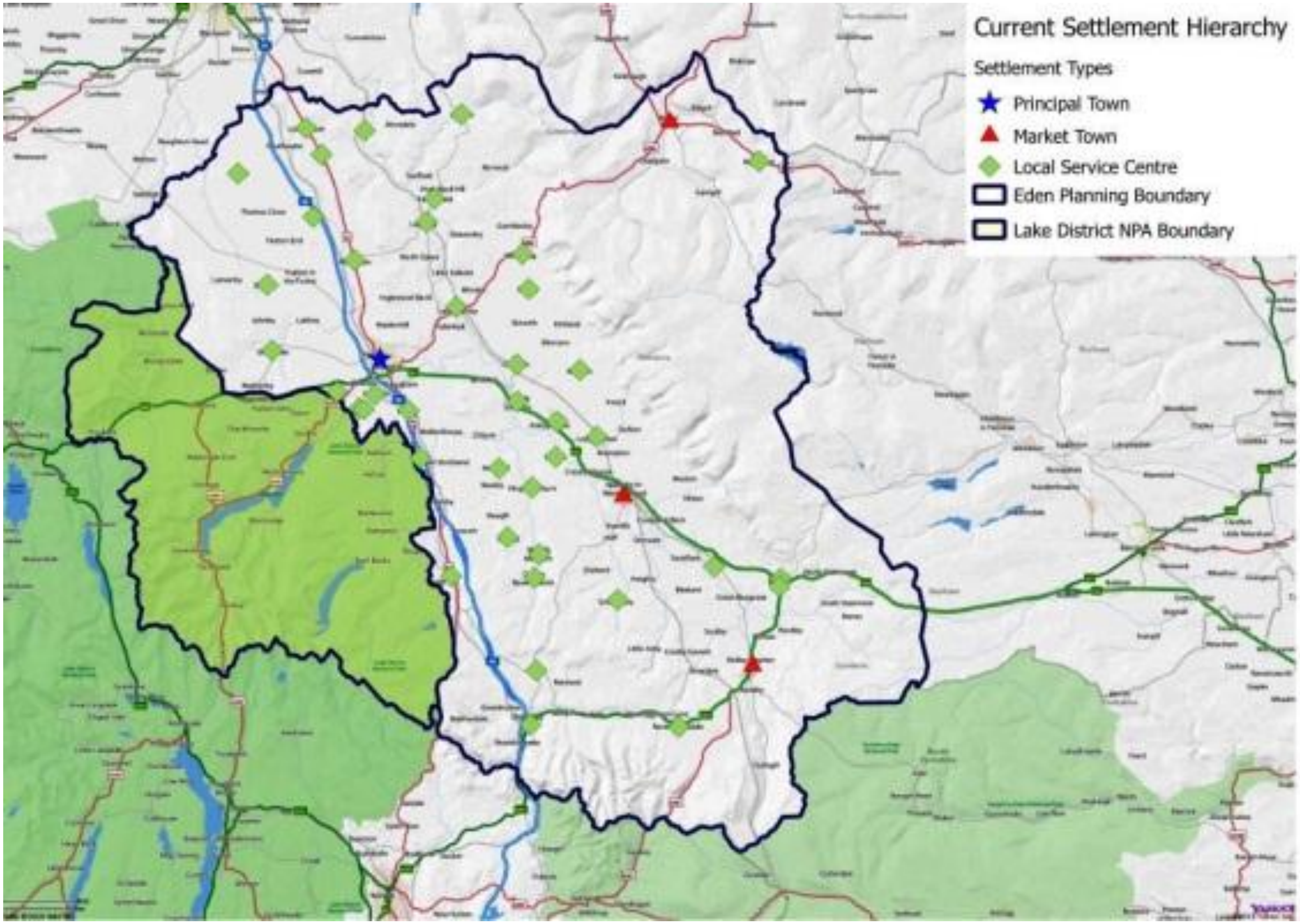
Please note that the annual housing figures may differ slightly than those listed below. When reporting on net completions, we remove any demolitions from the overall figure. Demolitions are not accounted for in the data below. Note figures run to September 2014.

Eden Housing Completions	Alston	Appleby	Kirkby Stephen	Local Service Centres	Other Areas	Penrith	Grand Total
April 2003 - March 2004	2	20	3	67	25	25	142
April 2004- March 2005	2	15	9	38	71	41	176
April 2005- March 2006	2	16	5	15	74	13	125
April 2006- March 2007	6	31		23	70	38	168
April 2007 - March 2008		7	3	35	85	22	152
April 2008 - March 2009	1	12	2	20	39	31	105
April 2009 - March 2010	2	8	3	24	12	52	101
April 2010- March2011		4	3	47	15	44	113
April 2011- March 2012	6	6	3	41	3	46	105
April 2012 - March 2013	3	4	22	46	11	107	193
April 2013- September 2014		0	16	34	6	18	74
Grand Total	24	123	69	390	411	437	1454

Appendix 2: List of Settlements under Policies HS1/HS2 of 1996 Local Plan

HS1		HS2		
Ainstable	Lazonby	Aiketgate	Hoff	Millhouse
Armathwaite	Long Marton	Blencow	Hunsonby	Motherby
Bolton	Melmerby	Brackenber	Hutton End	Murton
Blencarn	Morland	Brampton	Ivegill	Nateby
Brough	Nenthead	Brough Sowerby	Johnby	Newbiggin (Ains)
Calthwaite	Newbiggin (Dacre)	Burrels	Kaber	Newbiggin on lune
Cliburn	Newbiggin (TS)	Catterlen	Keld	Newby
Clifton	Newton Reigny	Colby	Kelleth	North Dykes
Crosby	Orton	Crackenthorpe	Kings Meaburn	Outhgill
Ravensworth	Ousby	Crosby Garrett	Kirkland	Reagill
Culgaith	Plumpton	Croglin	Knock	Ruckcroft
Dufton	Ravenstonedale	Drybeck	Laithes	Salkeld Dykes
Eamont Bridge	Renwick	Edenhall	Lamonby	Sandford
Garrigill	Shap	Ellonby	Little Asby	Skirwith
Great Asby	Skelton	Gaisgill	Little Musgrave	Sleagill
Great Salkeld	Sockbridge and Tirril	Gamblesby	Little Salkeld	Soulby
Greystoke	Stainton	Glassonby	Little Strickland	Southwaite
Hackthorpe	Tebay	Great Musgrave	Longdale	Unthank
High Hesket	Temple Sowerby	Great Ormside	Low Hesket	Waitby
Kirkby Thore	Warcop	Great Strickland	Maulds Meaburn	Winskill
Kirkoswald,	Winton	Hartley	Melkinthorpe	Yanwath
Langwathby	**Total: 42**	Hilton	Milburn	**Total: 64**

Appendix 3: Map of Current Settlement Hierarchy



Appendix 4: Map of Settlement Hierarchy Under Key Hubs Criteria