



CD 47

## DEPARTMENT OF LOCAL GOVERNMENT & THE ENVIRONMENT

**TO:** Minister & Members  
**FROM:** Ian McCauley, Director of Planning & Building Control  
**REF:** IMM/KLB  
**DATE:** March 2007  
**SUBJECT:** Island Strategic Plan – Progressing the Plan

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### **Purpose of the Report**

- 1.1 To advise the Department of the background to the preparation of the Draft Strategic Plan (DSP); the subsequent Public Inquiry; and Consideration of the Inspector's Report on the Inquiry.
- 1.2 To advise the Department of the outcomes of the additional survey work recommended by the Inspector in his report; the key issues arising from that work; and other issues which need to be considered at this stage.
- 1.3 In the light of the key issues to set out a process for progressing the modifications to the DSP through to adoption by the Department and approval by Tynwald.

### **Background**

- 2.1 The Draft Strategic Plan was published in July 2001. It was the subject of extensive consultation with Government Departments, Statutory Boards, public and private sector agencies, organisations and companies, local authorities and the general public. In November 2004 the Department published two documents:
  - a proposed modifications report – a response to the consultation responses;
  - a Modified Draft Written Statement (MDWS) including modifications proposed to the Draft Plan (July 2001) and for consideration at the public inquiry – effectively a re-writing of the 2001 Draft including all the proposed modifications.

2.2 The Strategic Plan process was summarised in the latter document as follows:

Stage 1	Issues Report	July 2000
Stage 2	Draft Plan	July 2001
Stage 3	Public Consultation	July – October 2001
Stage 4	Proposed Modifications	October 2004
Stage 5	Inquiry	March 2005
Stage 6	Consider Inspector's Report	Initially February 2006
Stage 7	Modifications Notice	
Stage 8	Consider Representations	
Stage 9	Plan adopted by the Department	
Stage 10	Tynwald Approval and Publication	

Implementation, Monitoring and Review

2.3 An Inquiry into the Plan was held in the Villa Marina in the last two weeks of March 2005. The Inspector's report was received on 28<sup>th</sup> October. A news release was issued on 4<sup>th</sup> November and copies of the report have been sent to all those parties who made representations and/or attended the Inquiry.

2.4 Subsequently, in February 2006, the Department considered a report setting out the officer's consideration of the Inspector's report and recommendations. The Inspectors Report runs to over 200 pages plus appendices of over 200 pages as well. The report to the Department Meeting while only 5 pages long referred to various appendices. The first of these was a report setting out the Inspector's recommendations followed by a section on DOLGE's Assessment and Conclusions. That appendix ran to 89 pages. Another major appendix was a Schedule of Proposed Changes which had been prepared and agreed with the Department prior to the Public Inquiry. This was in response to comments and representations on the MDWS received between its publication and November 2004 and the Inquiry in March 2005. By the end of the Inquiry over 160 proposed changes had been put forward to the Inspector to meet comments and representations made on the MDWS. That appendix ran to 27 pages.

2.5 After consideration of the report and discussion the Minister decided that the various recommendations set out in that report be accepted subject to some amendments. The principle recommendation (out of 24) was that:

"(c) the additional survey work identified by the Inspector in the conclusions to Chapter 5 (Island Spatial Strategy) of his Report (Recommendations 5.195 (i) to (xi) inclusive) be agreed and that the Director should make the necessary arrangements to have this work undertaken as expeditiously as possible;"

A copy of the Minutes of that meeting is attached as **Appendix 1**.

- 2.6 The other key points arising from the meeting and the minutes related to:
- Farmworkers dwellings and agricultural occupancy conditions to be discussed further with DAFF.
  - Car parking standards to be discussed further with DoT.
  - the inclusion of a specific policy relating to future development at Ronaldsway Airport.
  - The preparation of a Planning Policy Statement (PPS) on Energy.
  - that the Minister make a Statement to Tynwald in March or April.

2.7 As a result of the decision to undertake the additional survey work and the decision to make a statement to Tynwald the Department was requested to report the Council of Ministers on the implications and any other options for progressing the DSP. This was done in March 2006 and Council agreed that it would be more prudent to complete the study work and incorporate the additional evidence in the Plan before submitting to Tynwald for approval.

### **3. Progress to date**

- 3.1 Following the above, the Directorate has sought to commission the additional survey work in a number of ways. Approval was given to employ a Planning Policy Officer on a three year fixed term contract. Until recently we have not been successful in recruitment. To assist the team with the work we commissioned a consultant, David Barraclough (formerly the National Planning Policy Officer for the Royal Town Planning Institute) to provide advice, direction and a review of best practice in respect of the residential and employment land availability surveys. Diane Brown's return from maternity leave in July last year on a part time basis enabled us to allocate her specifically to the survey work. We subsequently secured Pauline McGinty to take up her other hours. So from early November we have had 1 full time equivalent working on policy matters. At the end of February we offered the 3 year fixed term contract to Emily Curphey who hopefully will take up the post by late April / Early May.
- 3.2 We have now completed the housing completions and land availability information and nearly completed the employment land availability work. This is being done in a way so that it can be fed into the preparation of the Area Plans.
- 3.3 In addition, after discussion with the Department of Transport, we commissioned their consultants JMP to undertake a study of the strategic links between settlements on the Island and the likely impact of the scale of development committed in current allocations and planning permissions and the overall level of development proposed in the Draft Plan. Their draft report was received a little while ago but needs to be considered alongside the other work.

3.4 The additional survey work in respect of residential and employment land availability and transport is almost complete and will be completed shortly. There are a number of issues arising from the survey work and other recent information, notably the 2006 Census results, which the Department needs to consider before officers can prepare the next stage which is to publish the Departments proposed modifications following the Inspectors report on the Public Inquiry. These are set out below.

3.5 It is important to stress that with the passage of time there is a danger of seeking to take into account more up to date information and analysis to the point that the overall objective a securing a first all Island Strategic Plan is lost in further rounds of analysis. The Department has committed to review the Strategic Plan on a five yearly basis, linked to the full and interim censuses in 2011, 2016 etc. and this will give the opportunity to review it in the light of emerging trends issues and policies.

#### **A. Residential Land Availability**

3.6 Before examining land availability it is important to consider the population and household size projections that the DSP housing proposals were based on. The base date for the DSP was 2001 and included details of the 2001 Census and subsequent population and household projections. These were summarised in Table 8.3 in the DSP which is set out below

#### **IOM POPULATION PROJECTION MODEL – BASED ON THE 2001 RESIDENT POPULATION**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>		
Resident Population	76,315	77,156	77,400	77,848	78,300	78,753	79,209		
Average household size	2.42	2.41	2.40	2.39	2.38	2.37	2.36		
Number of households	31521	32015	32250	32572	32899	33229	33563		
Additional households		494	235	322	327	330	334		
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
	76,670	80,141	80,617	81,100	81,586	82,080	82,580	83,085	83,601
	2.35	2.34	2.33	2.32	2.31	2.30	2.29	2.28	2.27
	33902	34248	34599	34956	35318	35687	36061	36440	36828
	339	346	351	357	362	369	374	379	388

- 3.7 The 2006 Census indicates that:
- resident population in 2006 was 80,058 – an increase of 1305 above the 2006 projection of 78,753.
  - average household size was 2.35 persons per household (pph) - .02 less than the 2006 projection of 2.37 pph.
  - The Number of households in 2006 was 33,390 – an increase of 161 above the 2006 projection of 33,229.
- 3.8 On this basis by 2006:
- The population has nearly reached that projected for 2009.
  - Average household size had reached that projected for 2008.
  - Households were more than estimated for 2006 but less than estimated for 2007.
- If the rate of household formation is slower than the rate of increase in population it may not be necessary to increase the overall level of new housing required to meet the needs of the population.
- 3.9 Given the anomalies between the earlier projections and the 2006 Census figures and the variation between the 2006 figures and the rate of change projected for the future years it is not possible to draw any firm conclusions at this stage. As a result it is recommended that these aspects be clarified with the Economic Affairs Division of the Treasury. A verbal update will be given at the meeting if any clarification has been received.
- 3.10 We have now completed a detailed assessment of all land zoned for residential development and planning permissions granted for housing in the period of 2001 to June 2006. This takes into account conversion to residential from other uses and from a dwelling to flats. In addition, it has been possible to identify where planning permission has been granted for residential development on land that was not identified or zoned for residential development (what are referred to as "windfall sites"). The information has been collected on a local authority area basis and aggregated up to the proposed Area Plan areas and an all Island total.
- 3.11 The overall picture is that between 2001 (the start date for DSP housing statistics) and June 2006 planning permissions had been granted for 4100 dwellings. This means that of the 5400 dwellings required by 2016, some 75% have planning permission, with some 10 years of the plan period left. If the projected conversion and windfalls between 2006 and 2016 (based on 2001 – 2006 actuals projected to 2016) are added to the 4100 then the shortfall is reduced to some 440.

3.12 These figures do not tell the full story and require some qualification:

- the total of 4100 dwellings granted planning permission is an accurate figure but it will need to be seen if all these permissions are taken up (this is to be monitored).
- The differences between the 2006 projected and actual population and household figure indicate that these figures will need to be kept under review so that there is no under or over provision of residential land. The former would increase housing problems. The latter could lead to productive and attractive land being left derelict.
- the conversions projection is less reliable. Analysis of recent activity shows a certain consistency from year to year for conversions from non residential. But the hotel conversion element (included in the overall projection and primarily in Douglas – the head) have varied widely from year to year.
- the DSP dwelling requirement of 5400 did not include any allowance for vacancies to accommodate normal movement within the housing market.
- land needs to be allocated for new house building beyond 2016 but this could be done at the 2011 review based on more up to date population and household projections and land availability at that date.

3.13 At this stage it is suggested that any further modification to the DSP needs to be limited so as to avoid an argument that any substantial changes would require a further round of consultation and another Public Inquiry which would delay approval of the Plan to 2008. At the same time the variations in the projected and actual population and household figures need to be regarded to but cautiously. In addition, the issue of vacancy rates needs to be addressed. In the UK it is standard practice to allow for a vacancy rate of anything between 3 and 5%. This allows for properties being empty as part of the sale and refurbishment / adaptation process. It may be appropriate on the Island to allow for the higher figure to reflect the older population profile. If a figure of 5% was added to the DSP figure of 5400 it would require a further 270 dwellings which should be rounded up to 5700. The table below sets out for each of the 4 areas: the DSP proposed allocation for 5400; the same with a 5% vacancy rate added to give a total of 5700; the number of planning approvals 2001 – June 2006; approvals plus projected conversions and windfalls; and the shortfall.

Area	DSP distribution	DSP & 5% vacancy	Approvals 2001 - 2006	Add projected conversions & windfalls *	Shortfall
North	1000	1050	923	1061	0
South	1000	1050	606	884	166
East	2500	2650	1889	2117	533
West	900	950	682	854	96
Total	5400	5700	4100	4916	795

includes DB's adjusted conversions

3.14 In other jurisdictions it is usual to ensure at least a five year supply of residential land to enable housing to be brought forward to meet emerging needs. Information on housing completions shows that of the 4100 dwellings approved since 2001 some 2700 are under construction or have been completed. This is the equivalent of 7.5 years supply in that 5 year period at the DSP level of 360 dwellings a year (total 5400) and just over 7 years supply at the DSP plus 5% vacancy level of 380 dwellings a year (total 5700). The 1400 dwellings remaining with valid planning permission would be the equivalent of 4 years at the DSP level of 360 a year or some 3.7 years at the DSP plus 5% vacancy level of 380 dwellings a year. To this would need to be added current applications in the pipeline i.e. submitted but not yet approved e.g. DLGE application at Ballasalla and Heritage Homes schemes in Douglas and Peel. Not only that, even allowing for a vacancy factor it is also clear that there is likely to continue to be a significant number of conversions and windfalls which can be relied on to provide another part of the housing supply equation.

## **B Employment Land Availability**

- 3.15 At the public Inquiry into the DSP the Department contended that there was an adequate supply of employment land (i.e. industrial land and land and property for office use). Others argued that this was not evidenced by any study or report. The Inspector accepted this line of argument despite the fact that nobody identified a shortage of such land, other than anecdotally in terms of the Douglas area.
- 3.16 We have now almost completed a survey of industrial land and allocations or premises for office development. Though not complete it is possible to confirm that in terms of strategic need there is a substantial area of land available for industrial development across the Island. This can be summarised as follows:

Area	Location	Area (hectares)	Notes
North	Ramsey	14.5	1
	Jurby	8.25	2
Sub Total		22.75	
South	Ronaldsway	10.4	3
	Freeport	2.6	
	Balthane North	18.6	4
	Balthane South	13.6	5
	Ballasalla Garage	1.0	
Sub Total		48.2	
East	Douglas	5.57	6
	Braddan	28.07	7
Sub Total		33.6	
West	Peel	9.75	8
	Foxdale	3.75	9
Sub Total		13.50	
<b>Island Total</b>		<b>118.00</b>	

Notes:

1. Various sites, a number of which have been zoned for industrial in the Ramsey Local Plan 1998 or the 1982 Development Plan.
2. The remaining parts of the former airfield complex and recently approved starter units.
3. Various sites and vacant buildings.
4. Substantial area to the north part of the 1982 Development Plan zoning.
5. Substantial area to the south part of the 1982 Development Plan zoning.
6. Major part is the extension at White Hoe.
7. NB: 20 hectares is included in respect of the proposed Cooil Road Development Order. The remainder is mainly the residue of the Isle of Man Business Park.
8. Includes land around the power station and the Barfords site.
9. Two sites.



3.17 The overall level of land needed for economic development was addressed in a paper from the Department to the Council of Ministers in August 2006 as part of the discussions about the proposed Cooil Road Development Order and the then recent proposals from Tesdale Ltd for a larger development. A copy of that report is attached as **Appendix 2**. The key parts in respect of the Strategic Plan relate to the assessment of need, timing and planning. The finishing of a report by Black Grace Cowley (BGC) commissioned by Tesdale are set out in paragraphs 4.3 and 4.4 of that report. Timing and Planning is addressed in paragraphs 5.4 to 5.7. In summary, the BGC report estimates the need for land in the Douglas area to be some 20h between 2005 – 2015 and a further 20h between 2015 – 2025.

3.18 It is considered that the following headline results of the employment land availability indicate, in respect of industrial land, that

- there is some 118h of land available spread across the Island.
- it is spread in such a way as to support the spatial strategy in the Plan in that most of it is located in the Strategic locations of Douglas and the East, and around the airport.
- At the same time there is provision in both Ramsey and Peel such as to support any economic development in these towns or the provision of service industries to support their respective roles as service centres.

3.19 In addition, to industrial land we have nearly completed an assessment of major office development sites. There is a degree of overlap between the two in that some industrial estates also include various office uses. The DSP follows current policy established at the IOM Business Park in allowing "Corporate Headquarters" on business park locations. So far example the IOMBP includes the HQ's of BT, MEA, Heritage Homes and Scottish Provident as well as light industrial and service industries. Town Centre office development has been very limited in recent years and the survey work is expected to establish that many of the planning permissions granted in the late 90's, early 2000's have not been taken up e.g. Villiers, Phase 3, IOMSP Co, Parade Street and several on Circular Road. In many cases the market demand for office development is so low that a number of office consents have been abandoned and other permissions sought and obtained e.g. Villiers, Phase 3 residential and restaurants. Walpole Avenue / Victoria Street – hotel Circular Road – apartments. In addition, established office based businesses have closed down and their buildings are being proposed for residential e.g. Coutts Bank, Onchan.

3.20 In the light of the above it is not considered there are any strategic issues in respect of office development that cannot be dealt with within existing zonings or planning permissions and though the process of preparing the Area Plans.

### **C Transport Implications of the Development Proposals in the Strategic Plan.**

3.21 The objectives of the study commissioned from JMP were to:

- Identify the main Strategic links between communities on the Island.
- describe the current status of these links (conditions, capacity, pinch points, congestion etc.) and
- forecast the expected impacts on the housing developments proposed in the Plan or the performance of these links.

In particular the study focussed on where problems could be foreseen on certain links and which links could accommodate an increase in traffic levels.

3.22 The study identified, in consultation with officers of DoT and DoLGE, 9 strategic links as follows:

- A1 Douglas – Peel
- A2 Douglas – Laxey
- A2 Laxey – Ramsey
- A3 Castletown – St Johns
- A3 / A4 Peel – Ramsey
- A5 Douglas – Ballasalla
- A5 Ballasalla – Castletown
- A5 Castletown – Port St Mary – Port Erin
- A18 Douglas – Ramsey

3.23 Traffic growth in the period 2001 – 2016 arises from the following factors:

- Increasing car ownership and willingness to use cars among the existing population; and
- Increasing population and number of households.

3.24 The study identified the various sites at which congestion is, or is likely to become, a problem. The study identified that at present there are only two places on the defined strategic links at which traffic flows are presently greater than 85% of capacity: at Quarterbridge (the A1/A2/A5 junction west of Douglas) and in Onchan (at the A2/A18 junction). This excludes local junctions in urban areas.

3.25 The study estimates that do-minimum growth would increase traffic levels by nearly 7% between 2006 and 2016 if no new development takes place. Across the Island as a whole the housing

growth anticipated in the strategic Plan will increase traffic by a further 7%, although because of the spatial distribution of development, growth rates will differ widely in different part of the Island.

3.26 The following junctions currently experience traffic congestion on a regular basis and will suffer worse problems due to traffic growth arising from the Strategic Plan:

- Quarterbridge;
- Mountain Road / Governors Road;
- Glencrutchery Road / Victoria Road

3.27 The following junctions do not currently experience significant levels of congestion. Do-minimum traffic growth will tend to increase delays occurring at them, however, it is anticipated that they may become congested on a more regular basis as a result of the effects of the Strategic Plan:

- A5 / A7 mini-roundabout, Ballasalla;
- Parliament Square, Ramsey

3.28 The remaining parts of the strategic links will not experience significant congestion as a result of traffic growth arising from the development proposals in the strategic Plan.

3.29 It follows from the assessment of the junctions listed that parts of the following strategic links already suffer from congestion that the Strategic Plan will exacerbate:

- A1 Douglas – Peel;
- A2 Douglas – Laxey;
- A5 Douglas – Ballasalla;
- A18 Douglas – Ramsey.

3.30 The following links do not presently regularly suffer from congestion and may not as a result of do-minimum traffic growth, but will (in certain locations) as a result of the Strategic Plan:

- A2 Laxey – Ramsey;
- A2 / A4 Peel – Ramsey;
- A5 Douglas – Ballasalla;
- A5 Castletown – Ballasalla.

3.31 It is important to note that detailed appraisal of junctions on these corridors may still be required as individual development planning applications are submitted. Furthermore, the levels of congestion experienced on each of the corridors and at specific junctions will be influenced by transport infrastructure schemes that develop independently of the Strategic Plan.

3.32 It should be noted that of above junctions which the study indicates will suffer more congestion, the DoT are currently examining improvement schemes or have schemes at the design stage in the capital programme.

Location	Current Status
Quarterbridge	Being assessed
Mountain Road / Governors Road	Draft Scheme Designed
Glencrutchery Road / Victoria Road	Second Phase of Mountain Road Scheme
A5 / A7 mini roundabout Ballasalla	<ul style="list-style-type: none"> <li>• Traffic Calming on Bridge Road etc.</li> <li>• Ballasalla by-pass proposed</li> </ul>
Parliament Square Ramsey	To be confirmed by DoT

3.33 In the circumstances, it is accepted that the spatial distribution of development in the DSP will increase congestion in various parts of the Strategic network, principally at the junctions identified above. However there are proposals to address these problems within the DoT's capital programme or there are proposals to address them being investigated. Given the current level of commitments it is not considered that the impact of the development proposals in the DSP on the Strategic network are such as to require a change to the distribution. It will be important that the Area Plans examine in more detail the localised impact of potential development on key junctions in the strategic network. In some cases potential development sites will require additional localised junction improvements to meet capacity or road safety issues.

#### **D Other Issues from the Inspector's Report**

3.34 As explained in 2.6 above there were a number of other issues raised at the February meeting. The principle ones were:

- Consultation with DAFF over the criteria for agricultural workers dwellings;
- Consultation with DoT over parking standards and the future of Ronaldsway;
- The preparation of PPS on Energy. Work on the latter has been deferred pending resources to complete the DSP.

Consultation with DAFF and DoT is in hand but not sufficiently advanced to report to this meeting.

#### **4. The Next Steps**

4.1 Once the Department has considered the various matter outlined above and decided on the approach to be adopted in certain areas it will be necessary to combine these elements with the

proposed modifications, already agreed by the Department in February 2006, into a comprehensive SDP including Proposed Modifications following the Public Inquiry.

4.2 Schedule 1 of the 1999 Town and Country Planning Act stipulates that after considering the Inspector's report the Department may adopt the draft plan, with or without modification. The Department has already proposed a large number of modifications. Where the Department proposes to adopt the plan with modifications it must publish a notice of the general effect of the modifications and give people at least 21 days to make objections or representations. The Department cannot adopt the plan before that period has expired. If any objections and representations are made (and not withdrawn) then the Department must consider them before adopting the plan and submitting it to Tynwald for approval.

4.3 The above can be summarised as:

- Prepare and agree Modification Document
- Publish and specify period for comment
- Consider representations
- After considering representations adopt the Plan and make the necessary Order
- Submit the Order for Tynwald approval

4.4 Subject to the decision on the main report it is proposed to:

- Finalise the land availability studies and publish them
- Complete the consultation with other Department's set out in 3.28 above
- Prepare a comprehensive modifications document
- Seek Department approval to publication of that document in April
- Publish the statement on prepared modifications

and then follow the stages in 4.3 above.

4.5 The Government Advocate has previously advised that the appropriate stage at which the Department should consider whether a further public inquiry is required is when it has published the proposed modifications and received any representations. If at that stage it is judged a further inquiry is needed that will effectively delay adoption of the Plan until 2008. If no inquiry is commenced then subject to agreement of the modifications by the Department in April it is still possible to refer the plan to July Tynwald for approval.

## 5. Recommendations

5.1 The Department is requested:

- 1) to consider the conclusions in respect of the additional survey work set out in Section 3
- 2) to note the further matters for consultation with other Departments as set out in 3.28
- 3) to agree the preparation of a comprehensive Modifications Document
- 4) to note the proposed timetable

I McCauley

Director of Planning & Building Control

6<sup>th</sup> March 2007