

Appendix 1

- 1.1 DDC has identified five issues that are relevant under the Duty to Co-operate:
- 1) Strategic Housing Market Assessment/Housing Market Area;
 - 2) The future of Manston international airport;
 - 3) The justification for aspects of the proposed wording of Policy SP05 which allocates Manston airport for mixed use development;
 - 4) The revised location of the proposed Thanet Parkway Railway Station; and
 - 5) Ongoing concerns about the performance and serviceability at Brenley Corner to be able to serve the growth that has been identified in the Thanet District Council Local Plan.

Issue 1

1.2 Strategic Housing Market Assessment

- 1.3 TDC was the first Local Planning Authority in East Kent to undertake a Strategic Housing Market Assessment (SHMA). This work, which was undertaken in January 2016 prior to DDC and Shepway District Council (SDC) commissioning its own Consultants to complete a SHMA. On the 1st March 2017 Cabinet agreed DDC's SHMA.

1.4 Housing Market Area

- 1.5 One of the key outputs from a SHMA is to identify a Housing Market Area (HMA). The Government's Planning Practice Guidance (PPG) provides a definition of housing market area: *"A housing market area is a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work. It might be the case that housing market areas overlap"*.
- 1.6 A HMA can be broadly defined by using 3 different sources of information which includes:
- House prices and rates of change in house prices
 - Household migration and search patterns
 - Contextual data (for example travel to work area boundaries, retail and school catchment areas)
- 1.7 The underlying logic is that housing need is not tied to local authority areas, because many people do not care which local authority area they live in as long as they are close enough to jobs, schools, families etc. An HMA is an area of search, bringing together places which households regard as reasonably close substitutes for one another.
- 1.8 Defining and agreeing a HMA is particularly important as under the Duty to Co-operate, if a Local Planning Authority is unable to demonstrate that it is able to meet all its of own Objectively Assessed Need (OAN) they would first ask a Local Planning Authority within the same HMA to take some of their housing need.
- 1.9 According to TDC's SHMA the 'best fit' for a HMA would comprise of the three authorities of Canterbury, Dover and Thanet. According to page 21 of TDC's SHMA these authorities considered collectively, demonstrate a community self-containment level of between 79-87% and a migration self-containment level of 68-74%.

- 1.10 Placing Dover District in a HMA is more challenging; especially as Thanet is bounded by the sea on three sides which means that any mathematical self-containment will always improve with Dover District and Canterbury included. DDC/SDC Consultants have recommended that looking in more detail at Dover District and the towns as a whole, Dover District is better placed with Shepway; recognising the strong links between the Dover and Deal and Folkestone. The Consultants that have been appointed by DDC/SDC, therefore, disagree with the findings from the TDC SHMA in terms of the HMA. Dover District has very strong links with Shepway and parts of Dover District particularly Sandwich, do have links with Canterbury and Thanet. DDC's Consultants have, however, recommended that on balance, Dover District is best placed in a Shepway and Dover HMA rather than a Thanet, Canterbury and Dover HMA which has been identified in Thanet District Council's SHMA. This particular point has already been raised informally with Officers from TDC as part of the preparation of DDC's SHMA.

Issue 2

1.11 Manston airport

- 1.12 Clearly the future of Manston airport is a strategic cross boundary issue that affects East Kent and potentially a wider area. Given the proximity to Dover District and the various transportation and employment interactions it is, therefore, regrettable that TDC has not entered into a collaborative dialogue with DDC under the Duty to Co-operate prior to the publication of the draft Local Plan in terms of the future of Manston airport and the drafting of Policy SP05.
- 1.13 Policy SP05 of the draft Local Plan has allocated the former Manston airport site for a mixed use settlement with the capacity to deliver 2,500 new dwellings and up to 85,000 sqm employment and leisure floorspace.
- 1.14 A mixed use planning application, supported by an Environmental Impact Assessment, has been submitted by Stonehill Park for 2,500 homes and a range of leisure and sports activities but this has not yet been determined by TDC. DDC has objected to this particular planning application on the grounds that the planning application would represent a departure from the TDC's Adopted Local Plan and it would not be in accordance DDC's resolution of retaining Manston as an operational airport.

1.15 Council resolution

- 1.16 At an Extraordinary Meeting of the Council on 14th May 2014 the Leader of the Council spoke of the recent runway closure of Manston Airport. The closure would impact on the Enterprise Zone at Sandwich and on the area as a whole. The Leader expressed his support for its retention and would make appropriate representations as necessary. This led to a motion being passed at Full Council on 23rd July 2014: which stated:
- 1.17 *'This Council supports the campaign to retain Manston as an operational airport, recognising the role and place it can have in the UK aviation industry, making the better use of regional capacity in accordance with the views of the South East Local Enterprise Partnership, while making a significant contribution as one of the strategic priorities for regeneration of the East Kent area'.*

1.18 What has changed since the Council resolution was passed in 23rd July 2014?

- 1.19 Since the closure of Manston Airport in May 2014 the airport no longer has an operational aerodrome licence from the Civil Aviation Authority, the new owners of the site have sold off operational equipment and the site is being used a

temporary emergency lorry park as part of Operation Stack (which the Department of Transport has granted an Order through to the end of 2017).

- 1.20 TDC resolved on 31st July 2014 to carry out a soft-market testing exercise to identify a CPO Indemnity Partner – a third party who could cover the costs of compulsory purchase of the Manston Airport site. RiverOak and another party submitted an expression of interest. On the 11th December 2014 TDC's Cabinet resolved that no further action be taken at the present time on a CPO of Manston Airport, on the basis that the Council has not identified any suitable expressions of interest that fulfil the requirements of the Council for a CPO indemnity partner and that it does not have the financial resources to pursue a CPO in its own right.
<http://democracy.thanet.gov.uk/ieListDocuments.aspx?CId=151&Mid=3925&Ver=4>
- 1.21 On 9th March 2015 the House of Commons Transport Committee published its report entitled 'Smaller Airports' and specifically considered Manston Airport as a case study. In its conclusions the Transport Committee said: 'We welcome the range of consumer choice provided by the comparatively large number of smaller airports in the UK. The Government is rightly cautious about making direct interventions in this market, which rewards enterprise and provides consumers with competitive prices and choice. There is no case for a general policy of state intervention to keep all smaller airports open' and 'We agree that there is no general case for the Government to purchase airports, including Manston'.
<https://www.publications.parliament.uk/pa/cm201415/cmselect/cmtran/713/713.pdf>
- 1.22 On 21st May 2015, TDC agreed to review its position in relation to the Manston Airport site, taking account of all the surrounding circumstances relating to an indemnity partner for a possible Compulsory Purchase Order. On the 29th October 2015 having reviewed its position, TDC decided that no further action should be taken at the present time on a CPO of Manston Airport, on the basis that RiverOak do not fulfil the requirements of the Council for an indemnity partner.
<http://democracy.thanet.gov.uk/ieListDocuments.aspx?CId=151&Mid=4251&Ver=4>
- 1.23 The Davis Commission report, considering future Airport capacity, was published in July 2015. The Commission concluded that expanded airport capacity is crucial for the UK's long-term prosperity, and short-listed 3 schemes for consideration. While each was considered a credible option for expansion, the Commission unanimously concluded that the proposal for a new northwest runway at Heathrow Airport, combined with a significant package of measures to address its environmental and community impacts, presents the strongest case and offers the greatest strategic and economic benefits – providing around 40 new destinations from the airport and more than 70,000 new jobs by 2050. The Report contains no recommendations in respect of Manston Airport.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/440316/airports-commission-final-report.pdf
- 1.24 On the 10th December 2015 TDC Cabinet agreed a formal process for identifying interest from third parties to be a Council indemnity partner for a potential CPO for Manston Airport. The assessment of the submissions showed that in terms of the key lines of enquiry: the market cannot deliver on the council's requirements; there is no established market which is able to deliver, or an adequate number of operators; the market has no capacity to deliver the requirements and there is no cost or other benefits in taking this matter further. On the 16th June 2016, TDC's Cabinet noted the results of the soft market testing assessment and agreed to take no further action in respect of the interested parties.
<http://democracy.thanet.gov.uk/ieListDocuments.aspx?CId=151&Mid=4342&Ver=4>
- 1.25 In May 2016 TDC commissioned Avia Solutions to investigate whether an airport was a viable option for the site within the Plan period to 2031

<https://www.thanet.gov.uk/the-thanet-magazine/press-releases/2016/october/manston-airport-viability-report/> This report took into account national and international air travel and transport and the way in which it is likely to develop over the next 15 to 20 years and looked at previous reports and developments in national aviation. The report has concluded that airport operations at Manston are very unlikely to be financially viable in the longer term, and almost certainly not possible in the period to 2031.

- 1.26 TDC's website includes a number of 'Frequently Asked Questions' about the future of Manston Airport <https://www.thanet.gov.uk/the-thanet-magazine/campaigns/manston-airport-frequently-asked-questions/>
- 1.27 Notwithstanding the Avia Solutions report and all of the other processes set out above, RiverOak Strategic Partners (RSP), an American investment group based in Connecticut in the USA, are actively committed to reviving Manston Airport as a fully operational airport that would be used as a:
- area for cargo freight operations (able to handle at least 10,000 additional movements per year);
 - passenger terminal and associated facilities;
 - aircraft teardown and recycling facility;
 - flight training school;
 - base for at least one passenger carrier;
 - fixed base for executive travel; and
 - business facilities for aviation related organisations.
- 1.28 Given the scale of RSP proposals they would be considered as a 'Nationally Significant Infrastructure Project' within the meaning of the Planning Act 2008. RSP are currently committed to making an application to the Planning Inspectorate (PINS) for a Development Consent Order (DCO) later in 2017 <http://www.riveroakinvestments.co.uk/our-proposals-for-manston/> Whilst RSP have not yet formally submitted a DCO to PINS (it is presently still at the pre-application stage) this clearly represents a strong commercial interest in maintaining and re-opening the airport as an operational going concern. This would greatly assist with the regeneration of the East Kent economy and contribute to the UK aviation economy by making better use of regional airport capacity.
- 1.29 The Planning Inspectorate has very recently confirmed to Bircham Dyson Bell, lawyers working for RSP, that Section 53 authorisation (permission to access the Manston Airport site), has now been granted. Whilst a considerable amount of environmental analysis has already been completed, access to the site will now enable the necessary level of detail that is required for a DCO application. As much data as possible will also be used for the Preliminary Environmental Information Report. According to RSP, this report, together with other work already well underway, will be made available during the process of statutory consultation, which will take place as soon as possible in 2017. RSP has now published their Draft Statement of Community Consultation (SoCC). The SoCC sets out how RSP will consult the local community on its proposals. Comments on the SoCC need to be sent to RSP by the 10th March 2017.
- 1.30 Aside from the reported interest from RSP, it has become apparent that a London based investment company, Disruptive Capital, is understood to be commissioning an independent viability report into the future of Manston airport. Disruptive Capital's interest in Manston was officially announced back in November

2016: <http://www.supportmanstonairport.org/breaking-news-press-release-ukip-thanet-concerning-edi-truell/> Officers believe that this information will be used to validate or further inform a business case for future aviation use at Manston airport.

- 1.31 Taking all of the above into consideration, it is very clear that the future of Manston airport continues to remain extremely uncertain and until the DCO process has concluded, Officers are recommending that the Council resolution is maintained.

Issue 3

1.32 Policy SP05 – Former Airport site

- 1.33 Notwithstanding the comments above, Officers consider that further clarification is required from TDC in respect of a number of criteria in Policy SP05:

1.34 Employment and Leisure floorspace

- 1.35 Policy SP05 has allocated the former airport site for 85,000sqm of employment and leisure floorspace. No evidence is available on the Local Plan website that justifies this amount of employment and leisure floorspace. An allocation of this scale in a Local Plan should be supported by an Economic Development Needs Assessment (EDNA). If the scale of the development is beyond an EDNA, there needs to be an evaluation of the impact on surrounding District's. Without the justification for the need for this amount of floorspace Officers consider that a representation is submitted that seeks clarification on this particular point in order to ensure that it would not adversely divert trade out of the District including Discovery Park Enterprise Zone (EZ). In terms of leisure floorspace (which has not been defined separately) DDC would need to be assured that this would not adversely impact the Council's corporate priority of providing a new leisure centre in Dover.

1.36 District Centre

- 1.37 Policy SP05 allows, as part of a mixed use development of the former Manston airport site, a 'District centre' to meet the retail need of the catchment, fit within the retail hierarchy and serve the appropriate catchment. Owing to the fact that Policy SP05 has not specified the quantum of retail/leisure floorspace Officers consider that a representation is submitted that seeks clarification on this particular point in order to ensure that it would not draw trade out of Dover District.

1.38 Landscape and Visual Impact Assessment

- 1.39 Manston airport occupies an elevated position on the landscape and there are long distance views of the site from a number of key vantage points from within Dover District particularly, from the western approach.
- 1.40 Policy SP05 has a requirement that a visual impact assessment should be undertaken in order that the impact of the proposals can be properly evaluated and moderated if necessary to protect the visual sensitivity of the site and to protect the wide open landscape and the strategic views of the site. Officers understand that a Landscape Visual Impact Assessment has been undertaken to support the Stonehill Park planning application (which has not yet been determined) although this has not formed part of the evidence base to support the Local Plan making process and in the absence of this information, a representation should be submitted accordingly.

Issue 4

1.41 *Thanet Parkway Station*

- 1.42 The proposed location of the Thanet Parkway Station has been revised; the wording of Policy SP39 remains unchanged. Officers understand that the proposed location of the Thanet Parkway Station has been altered to be more efficient in land take.
- 1.43 Owing to the fact that the Thanet Parkway Station would support future investment at Discovery Park Enterprise Zone and the change in the location is relatively minor, Officers recommend that support is given to Policy SP39.

Issue 5

- 1.44 DDC has ongoing concerns associated with the performance and serviceability at Brenley Corner. DDC needs the assurance from TDC over the suitability of the junction to serve all of the growth that has been identified in the Thanet District Council Local Plan while sustaining the strategic demands at the junction particularly in circumstances where the Lower Thames Crossing comes forward within the Plan period. A representation should be submitted accordingly.