

# ISLAND PLAN



## Affordable Housing Supplementary Planning Document Environmental Screening Statement



*September 2015*





## 1. Introduction

- 1.1 This statement sets out the Isle of Wight Council's (the council) determination under Regulation 9 of the Environmental Assessment of Plans and Programmes Regulations 2004 (which transposed EC Directive 2001/42/EC) on whether or not a Strategic Environmental Assessment (SEA) is required for the Affordable Housing Supplementary Planning Document (SPD).
- 1.2 Under separate legislation (Planning and Compulsory Purchase Act 2004 and associated Regulations), the council is also required to carry out a Sustainability Appraisal (SA) for all Development Plan Documents (DPDs). This process is designed to consider the environmental, social and economic impacts of the proposed plan/document.
- 1.3 Whilst the Planning Act 2008 and Town and Country Planning (Local Development)(England) Regulations 2012 removed the requirements for a SA to be produced for all SPDs, the council is still required to screen its SPDs to ensure that the legal requirements for sustainability appraisals are met where there are impacts that are not covered in the appraisal of a parent DPD or where an assessment is required by the SEA regulations. This statement also sets out whether or not a SA is required for the SPD.

## 2. Background of the Affordable Housing SPD

- 2.1 Policy DM22 (Developer Contributions) of the Core Strategy establishes the strategic principles towards developer contributions on the Isle of Wight, but does not set out precise levels of contributions. It does though give the commitment to prepare Supplementary Planning Documents (SPDs) to set out the mechanisms through which contributions are achieved and to ensure that contributions are based upon a co-ordinated and consistent approach.
- 2.2 Therefore, and in line with central government guidance on developers' contributions<sup>1</sup>, the council has prepared this SPD to set out the levels of developer contributions to meet the cost of Affordable Housing (required as a direct consequence of identified local housing needs and demands) and when it will be required.
- 2.3 For the purposes of this document '*affordable housing*' is defined as set out in the National Planning Policy Framework.

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<sup>1</sup> Paragraph 204 of the National Planning Policy Framework (NPPF) and Regulation 122 of the Community Infrastructure Regulations 2010

**Figure 2.1: Extract from the National Planning Policy Framework – Definition of Affordable Housing**

**Affordable housing:** Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.

- 2.4 The draft document brings together the thresholds relating to affordable housing in Policy DM4 of the core strategy and the methodology used to calculate the financial contribution and on-site provision expected to be delivered for each development scheme. A number of minor amendments to the document have been made following public consultation.
- 2.5 The instances of when on-site provision and financial contributions towards affordable housing will be sought are set out in Section 4 Affordable Housing Requirements of the SPD.

### 3. The Strategic Environmental Assessment Process

- 3.1 The first stage of the process is for the council to determine whether or not the SPD is likely to have significant effects on the environment. This screening process includes assessing the SPD against a set of criteria (as set out in Schedule 1 of the regulations). The results of this have been set out in Table 3 of this statement. The aim of this statement is to provide sufficient information to demonstrate whether the SPD is likely to have significant environmental effects.
- 3.2 The council also has to consult the Environment Agency, Historic England and Natural England on this screening statement. A final determination cannot be made until the three statutory consultation bodies have been consulted. This statement was sent to those bodies for their comments over the period 22<sup>nd</sup> May to 6<sup>th</sup> July 2015. The results of this consultation are set out below in section 7. *Screening and consultation outcome*.
- 3.3 Where the council determines that a SEA is not required then under Regulation 9(3) the council must prepare a statement setting out the reasons for this determination. **This statement is the Isle of Wight Council's Regulation 9(3) statement.**

### 4. Sustainability Appraisal

- 4.1 Whilst there is no statutory reason to undertake a SA of SPDs, the council has considered whether a SA of this SPD is required. The council has determined that the SPD is unlikely to have significant environmental, social or economic effects beyond those of the policy it supplements (Island Plan Core Strategy policy DM4 Locally Affordable Housing).
- 4.2 In coming to this conclusion the council is mindful that this SPD does not create new policies and serves only to expand on existing policy within its 'parent DPD', the Island Plan Core Strategy (which has already been subject to SA incorporating SEA). There are no impacts beyond those assessed in the SA of the 'parent' development plan document.
- 4.3 This judgement is based upon the fact that the SPD seeks to implement specific parts of Core Strategy policy DM4 Locally Affordable Housing, being to provide "*specific guidance on affordable housing that will be used to consider planning applications*" (paragraph 7.62, Core Strategy). Table 4.1 below highlights key parts of the Core Strategy SA, notably that the preferred option in terms of likelihood of delivering the most sustainability benefits (when assessed against the Core Strategy SA Objectives), is clearly related to the primary

aim of the SPD. Therefore the SPD can be considered to be in conformity with the 'parent' plan and accompanying SA, through implementation.

**Table 4.1: Mitigation identified in the SA of the Core Strategy that the SPD is seeking to implement**

Core Strategy Policy	Core Strategy SA Summary Extract	SPD Aim
DM4 Locally Affordable Housing	<p><i>This policy performs positively against social objectives as it sets out the requirements for affordable housing as part of new development and this therefore helps to maintain a balanced population, address social exclusion and poverty, and provides access to housing for the local population.</i></p> <p><i>In terms of economic objectives this policy is seeking 35% on site affordable housing or financial contributions as part of new development and this is likely to impact upon the viability of sites. However the policy acknowledges this through the ability to demonstrate viability and therefore investment may not be prohibited.</i></p>	To seek contributions in line with the NPPG, detailing the mechanisms for calculating contributions to affordable housing.

## 5. Habitats Regulations Assessment

- 5.1 In addition to SEA and SA, the council is also required to consider Habitats Regulations Assessment (HRA). HRA is the process used to determine whether a plan or project would have significant adverse effects upon the integrity of internationally designated sites of nature conservation importance, known as European sites or European offshore marine sites. The need for a HRA is set out within the Conservation of Habitats and Species Regulations 2010 (which transposed EC Habitats Directive 92/43/EEC).
- 5.2 The Regulations state the council must assess the potential effects of its land use plans, in this case the SPD, against the conservation objectives of any sites designated for their nature conservation importance. A HRA has been carried out on the 'parent DPD', the Island Plan Core Strategy.

**Table 5.1: Extracts from the Habitats Regulations Assessment for the Isle of Wight Core Strategy Appropriate Assessment Report (April 2011) on the assessment of Core Strategy policy DM4 Locally Affordable Housing**

Core Strategy Policy	Relevant HRA extract
DM4 Locally Affordable Housing	<p><i>Policy Summary</i> The policy sets out IW Council's requirements in terms of the total number of affordable homes which should be delivered on the Island, the proportion of new housing which should be affordable for proposals above a certain size and that financial contributions will be sought from smaller development proposals.</p>
	<p><i>Rationale</i> The policy does not allocate a quantum or spatially locate development but relates to the proportion of houses that will be required to be affordable in any given development that is supported by policies elsewhere in the Core Strategy (and in subsequent DPDs). The policy has therefore been assessed as having no effect on European or Ramsar sites.</p>

- 5.3 As highlighted above, the policy from the 'parent DPD' has been screened out in the first round of 'Initial Policy Screening'<sup>2</sup> on the basis of the content of the policy and from its likely implications, it is self-evident that there will be no significant negative effects on European sites.
- 5.4 As the purpose of this SPD is to provide further detail on Core Strategy policy DM4 Locally Affordable Housing, through an approach already identified as preferable in the Core Strategy SA/SEA, the council has determined that a HRA is not required. Adopting an approach to the provision of affordable housing in conformity with both national and local planning policy to address local need and demand will not lead to any significant adverse impacts on European and Ramsar sites.

<sup>2</sup> See Habitats Regulations Assessment for the Isle of Wight Core Strategy Appropriate Assessment Report April 2011

## 6. SEA Screening Procedure

- 6.1 It is the responsibility of the Responsible Authority (the Isle of Wight Council) to determine whether the plan or programme under assessment is likely to have a significant adverse environmental effect. This assessment must be made taking account of the criteria set out in Schedule 1 of the Environmental Assessment of Plans and Programmes Regulations 2004 and in consultation with the Environment Agency, Historic England and Natural England.
- 6.2 Where the Responsible Authority determines that a plan or programme is unlikely to have significant effect, and therefore, does not need to be subject to a full Strategic Environmental Assessment, the Responsible Authority must prepare a statement showing the reason for this determination. This is set out in Table 6.1 below.

**Table 6.1: SEA Screening for the Affordable Housing SPD**

Criteria (Schedule 1 of the Environmental Assessment of Plans and Programmes Regulations 2004)	Isle of Wight Council Response
Characteristics of the plan or programme	
(a) <i>the degree to which the plan or programme sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources.</i>	Provides a framework for securing affordable housing. It will not in itself determine projects/developments, or their, size, nature or location.
(b) <i>the degree to which the plan or programme influences other plans and programmes including those in a hierarchy.</i>	The guidance provided by the SPD is in conformity with the strategic objectives, spatial vision and policies of the Isle of Wight Island Plan Core Strategy – which has been subject to full SA and SEA.
(c) <i>the relevance of the plan or programme for the integration of environmental considerations in particular with a view to promoting sustainable development.</i>	The plan has no direct relationship to environmental considerations, but does aim to deliver the preferred option as identified through the ‘parent’ plan SA/SEA and is therefore likely to deliver certain sustainability benefits (primarily against the ‘Social’ SA Objectives of the Core Strategy, including maintaining a balanced population, addressing social exclusion and poverty and provides access to housing for the local population).

Criteria (Schedule 1 of the Environmental Assessment of Plans and Programmes Regulations 2004)	Isle of Wight Council Response
(d) <i>environmental problems relevant to the plan or programme.</i>	The SPD will not introduce or increase any environmental problems
(e) <i>the relevance of the plan or programme for the implementation of community legislation on the environment (for example, plans and programmes, linked to waste management or water protection).</i>	The plan has no direct relevance to the implementation of community legislation.
Characteristics of the effects and of the area likely to be affected	
(a) <i>the probability, duration, frequency and reversibility of the effects.</i>	There are no effects.
(b) <i>the cumulative nature of the effects.</i>	There are no effects.
(c) <i>the trans-boundary nature of the effects.</i>	There are no effects.
(d) <i>the risks to human health or the environment (for example, due to accidents).</i>	There are no effects.
(e) <i>the magnitude and spatial extent of the effects (geographical area and size of the population likely to be affected).</i>	The plan will apply to the entire authority area (i.e. the Isle of Wight) but will extend no further and is not anticipated to have effects beyond the authority boundary. Neighbouring mainland authorities already have such plans/mechanisms in place.
(f) <i>the value and vulnerability of the area likely to be affected due to</i> <i>(i) special natural characteristics or cultural heritage</i> <i>(ii) exceeded environmental quality standards or limit values; or</i> <i>(iii) intensive land-use.</i>	There are no effects.
(g) <i>the effects on areas or landscapes which have a recognised national, community or international protection status.</i>	There are no effects.

## 7. Screening and consultation outcome

- 7.1 Based on the above screening it is clear that the Affordable Housing SPD is unlikely to have a significant effect on the environment.
- 7.2 Table 7.1 below sets out the comments received from the Environment Agency, Historic England and Natural England regarding (the consultation draft version of) this screening report for the Affordable Housing SPD and the likely effects on the environment.

**Table 7.1: Comments received from the Statutory Consultees on the Draft Screening Report**

Statutory Consultee	Statutory Consultee Response
Environment Agency	<i>Having reviewed the above document, we can confirm that we do not have any comments to make.</i>
Historic England	<i>Historic England hopes that the Council would be willing to consider a reduction in the proportion of affordable housing sought where viability was an issue and the scheme would deliver other public benefits in the form of the conservation or enhancement of historic assets.</i>  <i>Historic England's position on affordable rural housing is set out on our website: <a href="http://www.historicengland.org.uk/advice/planning/housing/affordable-rural-housing/">http://www.historicengland.org.uk/advice/planning/housing/affordable-rural-housing/</a></i>
Natural England	<i>Natural England does not consider that this consultation poses any likely or significant risk to those features of the natural environment<sup>3</sup> for which we would otherwise provide a more detailed consultation response and so does not wish to make specific comment on the details of this consultation.</i>

- 7.3 The only comment where a change is suggested was made by Historic England. However this can be screen out as likely to result in any significant impacts on the basis that;
- The comment does not relate to the Environmental Screening Statement; and,
  - As set out in the Consultation Statement (please refer to this for justification) 'No proposed changes in light of this representation'.
- 7.4 A consultation statement for the SPD will be published by the council that summarises the main issues raised by respondents and how those issues have been addressed. Appendix 3 of the Consultation Statement sets out each representation made, the council's response and any changes proposed as a result.

<sup>3</sup> Cases which might affect a SSSI, Natura 2000 site, National Park, Area of Outstanding Natural Beauty or a large population of a protected species and/or cases or generic issues which affect a large suite of sites or may set a precedent and thereby affect a significant quantity of habitat across the country

- 7.5 With regards to amendments made to the plan following responses to consultation, guidance states the following;

**National Planning Practice Guidance – Sustainability appraisal requirements for Local Plans**

Accessed: 8<sup>th</sup> July 8, 2015

*The sustainability appraisal report will not necessarily have to be amended if the [Local Plan](#) is modified following responses to consultations. Modifications to the sustainability appraisal should be considered only where appropriate and proportionate to the level of change being made to the Local Plan. A change is likely to be significant if it substantially alters the Plan and/or is likely to give to significant effects.*

*Further assessment may be required if the changes have not previously been assessed and are likely to give rise to significant effects. A further round of consultation on the sustainability appraisal may also be required in such circumstances but this should only be undertaken where necessary. Changes to the Local Plan that are not significant will not require further*

- 7.6 Taking into account the above the following screening of the amendments proposed by the council has been carried out to determine if any of these changes substantially alter the plan, including provision of the criteria to determine likely significant effects (specified in Schedule 1 to the Environmental Assessment of Plans and Programmes Regulations 2004). These determinations have not been accompanied by supporting justification as it is deemed self-evident from the nature of the proposed changes as to why the judgements have been made.

**Table 7.2: Screening of amendment’s proposed by the council following responses to consultation**

Council’s proposed changes to the SPD		Does the proposed change;	
		Substantially alter the plan? Y/N	Likely to give rise to significant effects? Y/N
Ref.			
AHCSPD 2h	Add footnote for clarification.	N	N
AHCSPD 13a	To improve clarity, amend title of the SPD to include ‘Contributions’.	N	N

## 8. Conclusion

8.1 As discussed above, the Affordable Housing SPD has not been subject to a full Sustainability Appraisal (SA), Strategic Environmental Assessment (SEA) or Habitat Regulations Assessment (HRA) for the following reasons:

- The nature of the plan is to provide a mechanism for securing affordable housing, which in itself will not have any environmental impacts;
- The plan aims to deliver the preferred option as identified through the 'parent' plan SA/SEA and is therefore likely to deliver certain sustainability benefits (primarily against the 'Social' SA Objectives of the Core Strategy);
- The SA/SEA of the 'parent DPD' determined no likely significant effects; and
- The HRA of the 'parent DPD' determined no likely significant effects.