



**South Cambridgeshire Local Development Framework
Affordable Housing
Supplementary Planning Document**

**Sustainability Appraisal / Strategic Environmental Assessment
Adoption Statement**

Introduction

South Cambridgeshire District Council adopted the Local Development Framework (LDF) Affordable Housing Supplementary Planning Document (SPD) on 2 March 2010.

This statement has been prepared in accordance with the Environmental Assessment of Plans and Programmes Regulations 2004 (16) (3) and (4), which require a statement to be produced on adoption of a plan or programme, to detail:

1. How environmental considerations have been integrated into the plan or programme;
2. How the Environmental Report has been taken into account;
3. How opinions expressed through public consultation have been taken into account;
4. The reasons for choosing the plan or programme as adopted, in the light of the other reasonable alternatives dealt with;
5. The measures that are to be taken to monitor the significant environmental effects of the implementation of the plan or programme.

Planning Policy Statement 12 widens these considerations from environmental, to broader sustainability issues, so that this statement provides information on the wider sustainability appraisal process.

This statement examines each of these points in turn.

1. How sustainability considerations have been integrated into the plan

The LDF aims to improve the overall quality of life for residents of South Cambridgeshire in a way, which will also benefit future generations. Taking a sustainable approach to economic, social and environmental issues is at the heart of the plan and will be closely related to the national strategy for sustainable development, which has four objectives:

- Social progress which recognises the needs of everyone;
- Effective protection and enhancement of the environment;
- Prudent use of natural resources; and
- Maintenance of high and stable levels of economic growth and employment.

Policy Context

The national context is set out in Planning Policy Statements (the replacement to Planning Policy Guidance Notes), Circulars and other advice from Government. Whilst some of those national policies require local interpretation, a great number do not.

The regional context is set out in the East of England Plan that was published by the Secretary of State in May 2008. It continues the strategy that was set out in the Regional Planning Guidance for East Anglia (RPG6). It aims to focus a higher proportion of Cambridgeshire's growth into the Cambridge Sub-Region and proposes a sequential approach to the planning of development, with much of the development concentrated into and on the edge of Cambridge (subject to a review of the Cambridge Green Belt), including development in South Cambridgeshire, and into a new town beyond the outer boundary of the Green Belt.

The East of England Plan 2008 replaced the Cambridgeshire and Peterborough Structure Plan when it was published in its final form by the Secretary of State in May. A number of Structure Plan policies were 'saved' after September 2007 and remain valid until they will be superseded by policies in LDFs as these plans are adopted across the County.

Affordable Housing SPD Policy Approach

The Affordable Housing SPD expands on district-wide policies (HG/3, HG/4 and HG/5) in the Development Control Policies Development Plan Document (DPD), adopted in July 2007, and a number of policies in Area Action Plans for major development locations. These policies seek to ensure that a suitable proportion, type and mix of Affordable Housing is provided through new development and rural exception sites, to address the high level of housing need in the district. This SPD provides additional details on how these policies will be implemented.

The SPD builds on national policy in Planning Policy Statement 3: Housing (PPS3) and Planning Circular 05/05 to provide a balanced and fair approach which ensures the creation of mixed and balanced communities.

Specific objectives for the Affordable Housing SPD are as follows:

- Facilitate the delivery of affordable housing to meet housing needs;
- Assist the creation and maintenance of sustainable, inclusive and mixed communities;
- Provide detailed guidance on the interpretation of the requirements in respect of the amount, type and size of affordable housing to be provided in accordance with the policies in the Local Development Framework;
- Provide certainty to developers about the requirements for affordable housing as part of residential developments or on rural exception sites;
- Provide principles on the design, appearance and layout of affordable housing;
- Provide detailed guidance on the calculation of financial contribution in lieu of on-site provision of affordable housing.

2. How the Sustainability Appraisal had been taken into account

The Sustainability Appraisal has contributed to plan development by providing an independent assessment of the sustainability of the Council's proposed options and policies as they were developed. It demonstrates that sustainability considerations have been incorporated into the development of the LDF and subsequently that of the SPD from an early stage, and provides a formal statement and audit trail of the assessment.

The Sustainability Report is a key output of the plan preparation process. It reflected and supported the draft plan on which formal public consultation and participation was carried out.

The SPD is adding detail to policies to assist the implementation of adopted Development Plan Document policies and therefore the process had begun with the preparation of a Sustainability Report for these DPDs. The policies in these DPDs were therefore subject to Sustainability Appraisal.

It was decided not to do a Sustainability Appraisal for the SPD as recent changes to planning legislation makes it clear that government no longer requires an SA to be undertaken for SPDs. The Town and Country Planning (Local Development) (England) Regulations 2004 were amended in 2008 and 2009. Following the 2009 amendments there is no longer a requirement to undertake a SA of SPD. The

European Union Strategic Environmental Assessment (SEA) Directive (2001/42/EC) only requires assessment of those LDDs likely to have a *significant effect*. As SPDs are not able to create new policy and the parent policies, upon which the SPD expands, have already been fully appraised through the SEA / SA process, the Council considers that there is no need to undertake further assessment of the SPDs. The SA for the parent policies can be viewed on the Council's website: www.scamb.gov.uk/ldf.

One of the requirements of the SEA Directive is to monitor the *significant environment effects* of the implementation of plans to identify at an early stage unforeseen adverse effects, and to be able to undertake appropriate remedial action. Although there are not anticipated to be any significant impacts beyond any identified in the SA of the parent policies, the impact of the SPDs can be monitored through the LDF Annual Monitoring Report.

3. How consultation taken into account (draft plan and the Environmental Report)

In this statement the Council is required to detail how opinions expressed in response to consultation have been taken into account.

Key Environmental Bodies

The Strategic Environmental Assessment Directive requires that authorities referred to in Article 6(3) shall be consulted when deciding on the scope and level of detail of the information, which must be included in the Environmental Report. In England, the key bodies are the Environment Agency, English Heritage and Natural England.

Consultation on a draft of the LDF Sustainability Appraisal Scoping Report with these key bodies was carried out in June 2004. The consultation enabled these bodies to comment on the appropriateness of the objectives, indicators, baseline assessment and issues / problems. A report on the outcome of these consultations is included in Appendix 7 of the Scoping Report. The consultation resulted in a number of changes to the Scoping Report, including changes to the sustainability objectives and questions, new issues for the area being identified, new plans and strategies being analysed in the report, and revised and new monitoring indicators.

Public Participation

The Strategic Environmental Assessment Directive requires early and effective opportunity within appropriate time frames to express their opinion on the draft plan or programme and the accompanying Environmental Report before the adoption of the plan or programme or its submission to the legislative procedure.

The Council consulted the public on the SPD and its Sustainability Appraisal Statement. Full details can be found in the Statement of Consultation – Regulation 18(4)(b), available to view on the Council's website. This outlines the main issues

raised in the representations received and how they have been addressed in the SPD, which is to be adopted.

Consultation under Regulation 17

The public consultation on the draft SPD and Sustainability Appraisal Statement was carried out over a 6-week period, which was in accordance with Regulation 17 of the Town and Country Planning (Local Development) (England) Regulations 2004 as amended.

There were in total 54 representations received. 2 were in support, 31 objecting and 21 comments. No representations were received on the Sustainability Appraisal Statement.

The main issues raised include:

- More than half of the representations received are from the landowners / developers for the major developments, in particular Gallagher, Homes and Communities Agency and Marshall. They are seeking to ensure that the SPD properly reflects the issues affecting the major developments and that it is consistent with the affordable housing policies in the Area Action Plans. They also raise concerns with the proposals for dealing with development viability, including the proposed 3 year review period in cases where initial viability leads to a reduced affordable housing contribution, the requirement for developers to fund the independent validation of viability evidence, the approach to residual land valuation, and the requirement for the development to provide free serviced land.
- Questions are raised about the proposed indicative tenure mix targets and the approach to size of units, including from the County Council which is concerned that this could have implications for numbers of children on affordable housing developments.
- Cambridge City Council makes a number of detailed comments on the SPD, essentially seeking consistency in approach between the two districts where they felt clarifications would be helpful.
- A number of detailed points are made by other representors e.g. approach to rounding of affordable housing calculations, promotion of energy efficient design, delivery of rural exception sites.

The consultation resulted in a number of changes to the SPD. These are listed in Appendix A.

4. Reasons for choosing the document as adopted in light of other reasonable alternatives.

The Environmental Assessment of Plans and Programmes Regulations 2004 (12) (2) requires environmental reports to examine reasonable alternatives taking into account the objectives and the geographical scope of the plan or programme.

This statement is required to set out the reasons for choosing the plan or programme as adopted, in the light of the other reasonable alternatives dealt with.

PPS12 makes clear that full regard should be had to the chain of conformity to avoid duplication of assessment.

The alternative to having an SPD was to have no SPD at all and to carry out "Business As Usual" implementing the adopted Development Control Policies DPD without published detailed guidance. The Affordable Housing SPD, once adopted will provide further guidance on the implementation of the Council's adopted affordable housing policies. As such, it is considered more likely to result in the provision of an appropriate level, mix and size of affordable housing than existing policies alone.

5. Monitoring

The Environmental Assessment of Plans and Programmes Regulations 2004 requires authorities to set out the measures that are to be taken to monitor the significant environmental effects of the implementation of the plan or programme.

Details of the monitoring measures envisaged are summarised in Appendix 7 of the Final LDF Sustainability Report.

The indicators created in the Sustainability Appraisal Scoping Report, will continue to be monitored annually. They have been utilised as 'significant effect indicators', to be collated in the LDF Annual Monitoring Report. This report includes an analysis of the implications of the results, and should a need arise a review of LDF documents could be triggered by this information.

The South Cambridgeshire Annual Monitoring Report is available to view on the Council's website.

Appendix A – Amendments made to SPD as a result of the public consultation.

Affordable Housing Supplementary Planning Document

- Amend para 1.9 as follows:
 1. Revise last sentence to read: "The policies are set out in Appendix 1 for convenience."
 2. Move the policies under paragraph 1.9 into new Appendix 1.
 3. Renumber all appendices accordingly.
 4. Add to the end of new Appendix 1 the following policies:
 - Northstowe AAP, Policy NS/7 (6)
 - Cambridge East AAP, Policy CE/7 (5) - (10)
 - Cambridge Southern Fringe AAP, Policy CSF/7 (5)
 - North West Cambridge AAP, Policies NW6 and NW7

- Add the following to the end of the 5th sentence of paragraph 1.10:

"..., i.e., funded and delivered by gypsies and travellers themselves on allocated land, or provided as affordable housing with a subsidy and usually by RSLs."

- Add new sentence to the end of para 2.2 to read:

"The Area Action Plans for the major developments at Northstowe, Cambridge East and Cambridge Southern Fringe, and the Site Specific Policies DPD policy allocating NIAB Extra, include an additional caveat making clear that these are major and complex developments, which have a wide variety of requirements covering infrastructure and services, and a balance may need to be struck between competing requirements, in the light of economic viability. For North West Cambridge AAP this specific additional caveat on viability is not added given the special nature of the development and the importance of addressing university needs, although the usual reference to viability is included.

- Add new penultimate sentence to paragraph 3.6 to read:

"The policy for the major developments reflects that they are major and complex developments which have a wide variety of requirements covering infrastructure and services and recognising that a balance may need to be struck between competing requirements in the light of economic viability."

- Amend paragraphs 3.13 to 3.15 to read:

"3.13 The district wide targets for tenure mix in new affordable housing is 70% social rent and 30% intermediate housing. They are the appropriate targets because they:

 - conform to the needs identified in the Strategic Housing Market Assessment for at least the first 5 years covered by the study (SHMA May 2008- Source Chapter 30 Table 6);
 - respond to the greatest amount of need (rented housing) but still produce balanced sustainable developments;
 - are close to the Council's current practice which has shown itself to be

viable and deliverable.

3.14 In sites which form part of the urban extensions to Cambridge, the starting point for negotiations will be amended to 75% rent and 25% intermediate housing. They are the appropriate targets because they:

- are consistent with the targets contained in Cambridge City Council's Affordable Housing Supplementary Planning Document
- are extensions to Cambridge and the targets for Cambridge are the most appropriate to apply to the whole urban extension, including parts within South Cambridgeshire.

- mean that even in the largest developments the amount of rented housing will not exceed the amount shown to be sustainable in the largest local settlement, Cambridge City, in the recent past. It therefore follows a "precautionary approach", building on local circumstances.

3.15 The targets will be the starting point for negotiations on individual sites. Long term developments on major sites will have a review mechanism for the mix incorporated into the S106 Agreements."

- Amend para 3.18 to read:
"In determining the tenure mix on individual sites, a balance will be struck between new affordable housing contributing towards meeting unmet current needs, meeting newly arising needs, and at the same time forming sustainable mixed and balanced communities."
- Revise second sentence of para 3.26 to read:
"The North West Cambridge Area Action Plan, prepared jointly with Cambridge City Council indicates that small groups or clusters may be between 6 and 25 dwellings, and in flatted schemes no more than 12 affordable dwellings should have access from a common stairwell or lift."
- Add text to the end of paragraph 4.23 to read:
"Mortgagee n Possession clauses will only to used in S106s when a Registered Social Landlord is involved with the project."
- Add the following definition to the Glossary:
"Residual Land Value - The residual valuation is the value of the site once the cost of the development and the developers return for risk and profit have been subtracted from the value of the development. In other words, the residual land value is the amount the developer should bid/pay for the land."
- Revise paragraph 5.9 first sentence to read:
"...including required contributions to local services and infrastructure, the provision of affordable housing and a reasonable profit margin to the developer."
- Revise 2nd sentence of paragraph 5.14 to read:
"Where evidence of exceptional circumstances is provided that threaten the delivery of the scheme, the Council will consider negotiating a different tenure mix or for the provision of a lower proportion of affordable homes or for"

- Add the following to the end of the second sentence of paragraph 6.7:
"...and be reasonably accessible to village services and facilities."