

Appendix B

Lewes District Council

New Affordable Housing Technical Note:

Supplementary Planning Document (SPD)

Screening Report

July 2017

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1. Introduction

- 1.1 Lewes District Council is preparing an Affordable Housing Supplementary Planning Document (SPD) to explain the Council's position relating to affordable housing contributions sought from development, partly as a result of changes in national policy and up to date information on development viability in the Lewes District.
- 1.2 The Affordable Housing SPD will not create new policy; it will provide additional information to the implementation of the Lewes District Local Plan Part 1 – Joint Core Strategy – Core Policy 1: Affordable Housing, and Core Policy 2: Housing Type, Mix and Density.
- 1.3 SPDs may occasionally be found to give rise to significant effects which have not been formally assessed in the context of a higher level planning document. Therefore, local authorities need to screen their SPDs to ensure that legal requirements for Strategic Environmental Assessments (SEA) are met where there are impacts which have not been covered in the appraisal of the parent plan or where an assessment is required by the SEA Directive.
- 1.4 Sustainability Appraisal (SA) is a tool that is used to improve the sustainability of Development Plan Documents (DPDs). It uses a range of sustainability objectives and indicators to test whether the plans, policies and proposals can deliver sustainable development. SA can be viewed as a yardstick against which the social, economic and environmental effects of the plan can be tested.
- 1.5 Lewes District Council does not believe that a SEA is likely to be required for the purposes of the Affordable Housing SPD as outlined in this report, and sets out the assessment on which the Council's screening opinion is based.

2. Affordable Housing SPD

- 2.1 The Affordable Housing SPD has been produced to explain the position relating to affordable housing contributions sought from developments, further prompted by changes in national policy and up to date information regarding development viability in the Lewes District.
- 2.2 The Affordable Housing document previously took the form of a Policy Guidance. The Policy Guidance was consulted on from 1 September to 13 October 2016, and from 2 February to 2 March 2017. From these consultations, and with reference to the upcoming consultation for the Lewes District Local Plan Part 2, it is now thought that adoption of the Affordable Housing document as a Supplementary Planning Document would provide the Council with a detailed approach to compliance with policy, carrying weight during negotiations, enabling a more efficient planning system and contributing to the efforts of the Council to deliver much needed affordable homes.
- 2.3 The purpose of the Affordable Housing SPD is to provide a detailed explanation in support of the implementation of Core Policy 1 and Core Policy 2 from the Lewes District Local Plan Part

1 – Joint Core Strategy 2010 - 2030 (adopted 2016). The SPD contains advice relating to the standards required of the range of residential sites in order to deliver the affordable housing necessary to meet local needs.

- 2.4 Core Policy 1 of the Lewes District Local Plan Part 1 requires a district wide target of 40% affordable housing from developments of 10 or more dwelling units. For developments of less than 10 units, affordable housing will be sought according to a stepped target which begins at 3 units. The level of affordable housing contribution may be determined on a site by site basis where justified by market and/or site conditions, where the local planning authority is satisfied by robust financial viability evidence that development would not be financially viable at the relevant target level.
- 2.5 However, in November 2014 the Government published a Written Ministerial Statement (WMS) whereby developments of less than 11 units would be exempt from affordable housing contributions. The WMS also stated that in designated rural areas (i.e. the National Park part of the Lewes District), local planning authorities may choose to apply a lower threshold of 5 units or less. No affordable housing or tariff-style contributions should then be sought from these developments. In addition, in a rural area where the lower 5-unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10 units in the form of commuted sums. The Government restated this position in May 2016 through the Planning Practice Guidance. This means that Core Policy 1 could no longer be implemented as it was originally intended and contributions could only be sought from developments of 11 units or more, and from developments of 6 or more in designated rural areas in the form of a commuted sum.
- 2.6 The Affordable Housing SPD explains the type of affordable housing to be sought, the indicative values used to calculate commuted sums, how any commuted sum payments will be calculated, takes account of the changes to the contribution thresholds, and also explains the considerations which will be taken into account when assessing the viability of development.

3. Strategic Environmental Assessment

- 3.1 This screening process ascertains whether the Affordable Housing SPD gives rise to significant environmental effects, using the criteria set out in Schedule 1 of the Environmental Assessment of Plans and Programmes Regulations 2004¹.
- 3.2 Paragraph 10 of the aforementioned SEA Directive only requires SEA for plans which 'determine the use of small areas at a local level' or, which are 'minor modifications' to plans, when these are determined to be likely to cause significant environmental effects. Therefore the criteria for determining the likely significance of effects as listed in SEA Directive 2001/42/EC Schedule 1 of the Environmental Assessment of Plans and Programmes

¹ The Environmental Assessment of Plans and Programmes Regulations 2004 (2004). Schedule 1: Criteria for Determining the Likely Significance of Effects on the Environment. <http://www.legislation.gov.uk/ukxi/2004/1633/schedule/1/made>

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Regulations 2004 have been reviewed to determine whether the exception applies to the Affordable Housing SPD.

3.3 Appendix A sets out the assessment of the contents of the Affordable Housing SPD against the SEA criteria. Following this assessment, Lewes District Council believes the results of the assessment clearly demonstrate that the SPD does not require a SEA. The SPD merely provides further guidance on existing policies from documents which have already been subject to SEA.

3.4 The results of the Appraisal for Core Policy 1: Affordable Housing, and Core Policy 2: Housing Type, Mix and Density, are summarised below. The social and economic effects of the policies that the SPD relates to have been considered against relevant sustainability objectives.

Policy	Commentary
Core Policy 1: Affordable Housing	This policy is likely to maximise affordable housing delivery, increasing the amount of affordable housing currently delivered, without impacting on overall housing delivery. The policy is seen as highly positive as affordable housing will be delivered in the towns of the District - the areas which are recognised as most deprived. This policy is also likely to increase affordable housing delivery in the rural areas of the District that the Strategic Housing Market Assessment recognises is home to high prices and high home ownership, which prevents those from lower incomes accessing these parts of the District. Environmental impacts resulting from this policy are likely to be limited as it is primarily concerned with types of housing, rather than the overall number of dwellings.
Core Policy 2: Housing Type, Mix and Density	The objective of this policy is to deliver the homes and accommodation for the needs of the District and ensure the housing requirements are accommodated in the most sustainable way. This policy will have a positive impact as it will allow the flexibility to respond to the needs of the local community, maximise opportunities for re-using suitable previously developed land and to plan for new development in highly sustainable locations without adversely affecting the character of the area. This should ensure development that is appropriate for the different parts of the District. This policy is seen positively as it encourages a range of dwelling type and size that fits in with the local character of the area, meeting the needs of the community. The flexibility of this policy means that the environmental impacts are likely to be limited as development will come forward at a density appropriate to a site's environment.

3.5 Lewes District Council was statutorily obligated to undertake a five week consultation on this New Affordable Housing Technical Note: Supplementary Planning Document Screening Report with the three statutory consultees of Natural England, Historic England, and the Environmental Agency.

3.6 This statutory consultation took place between 21 August and 25 September 2017. Neither of the three organisations have provided comments.

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4. Conclusion

- 4.1 The Affordable Housing SPD does not constitute a modification to a plan. Based on the assessment in Appendix A, and the Sustainability Appraisal used to demonstrate how sustainable development has been incorporated into planning policy documents for the Lewes District Local Plan Part 1, it has been demonstrated that the Affordable Housing SPD does not produce significant environmental effects.

Appendix A - Assessment of the Affordable Housing SPD against the SEA criteria²

Schedule 1 Criteria	
The characteristics of the Affordable Housing SPD, having regard, in particular to:	
(1a) 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;	The policy for the affordable housing comes from the Lewes District Local Plan Part 1 Joint Core Strategy 2010 - 2030 (adopted May 2016). The SPD provides additional detail on the implementation of this policy, particularly in light of changes in Government guidance which only allows affordable housing contributions to be sought from developments of 11 units or more. It does not set new policy. The policy framework is set in the Lewes District Local Plan Part 1, which has been subject to SEA.
(1b) the degree to which the plan or programme influences other plans and programmes including those in a hierarchy;	The Affordable Housing SPD will provide additional guidance on the implementation of policy and will be a material consideration in the determination of planning applications. It is influenced by other higher tier plans rather than influencing other plans itself. The SPD could have minor impacts on the detail of how housing priorities are implemented though plans and programmes such as the Housing Strategy. The SPD will not form part of the Development Plan.
(1c) the relevance of the plan or programme for the integration of environmental considerations in particular with a view to promoting sustainable development;	The Affordable Housing SPD provides additional detail on the implementation of Core Policy 1 and Core Policy 2, which were subject to SEA. The SPD contains advice relating to the standards required of the range of residential sites in order to deliver the affordable housing necessary to meet local needs. Therefore it has no relevance to the integration of environmental considerations. It does however have social and economic considerations in relation to sustainable development. The SPD will help promote the aim for sustainable development by providing clear and consistent guidance on the provision of affordable housing.
(1d) environmental problems relevant to the plan or programme, and	The Affordable Housing SPD is relevant to the affordable housing contributions that should be sought from development. The SPD does not set the principle of development and should not introduce new or add to any existing problems. The document aims to ensure affordable housing is well integrated and meets local needs.

² The Environmental Assessment of Plans and Programmes Regulations 2004 (2004). Schedule 1:Criteria for Determining the Likely Significance of Effects on the Environment. <http://www.legislation.gov.uk/ukxi/2004/1633/schedule/1/made>

(1e) 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).	The nature of the Affordable Housing SPD has no direct impact on the implementation of Community legislation. The principle of development is considered through the Lewes District Local Plan Part 1, which has been subject to SEA.
Characteristics of the effects and of the area likely to be affected, having regard, in particular to:	
(2a) the probability, duration, frequency and reversibility of the effects;	The Affordable Housing SPD contains advice relating to the standards required of the range of residential sites in order to deliver the affordable housing necessary to meet local needs. It does not set the principle of development. No adverse effects on environmental interests resulting from the implementation of the SPD have been identified.
(2b) the cumulative nature of the effects;	There is unlikely to be any adverse cumulative effects.
(2c) the trans-boundary nature of the effects;	There are no trans-boundary effects.
(2d) the risks of human health or the environment (for example, due to accidents);	Any risks to human health or the environment are negligible. It is considered that there may be improvements to human health and environment due to affordable housing being developed to meet needs, including being of the appropriate size, location and quality. There will be a positive contribution to wellbeing.
(2e) the magnitude and spatial extent of the effects (geographical area and size of the population likely to be affected);	The SPD covers the areas within the Lewes District Council Planning Authority boundary, including the Low Weald to the north of the South Downs National Park and the coastal area to the south, and the Lewes District Council Housing Authority area covering the whole District. This area covers approximately 292 sq km and has a population of around 101,000 (ONS mid-year estimates 2016). The SPD will affect those applying for planning permission for housing on sites accommodating 11 or more units and 6 or more in designated rural areas. It will also impact on housing providers and will have an indirect effect on future occupants of affordable housing.
(2f) the value and vulnerability of the area likely to be affected due to: (i) Special natural characteristics or cultural heritage; (ii) Exceeded environmental quality standards or limit values; or (iii) Intensive land use; and	The Lewes District covers an area with a wide variety of characteristics. The SPD will not lead to exceeding of environmental standards or the intensification of land use. The area likely to be effected will be guided by individual planning applications. The appropriateness of those locations will be guided by policies within the Lewes District Local Plan Part 1, which has been subject to SEA.

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<p>(2g) the effects on areas or landscapes which have a recognised national, Community or protection status</p>	<p>The Affordable Housing SPD has no effect on areas or landscapes which have a recognised national, Community or protection status. Impacts on such areas will be considered through the application of other Lewes District Local Plan Part 1 policies which have been subject to SEA.</p>
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Appendix B - Sustainability Appraisal incorporating SEA of the Lewes District Local Plan Part 1

Appraisal of Core Policy 1 – Affordable Housing³

Objectives				Explanation
	S	M	L	
1.Housing	++	++	++	The draft policy sets out a flexible district-wide target of 40% on schemes of 10 or more units, which was recommended by the Affordable Housing Viability Assessment. It also allows for affordable housing to be delivered on smaller schemes. This approach is therefore likely to maximise affordable housing delivery, increasing the amount of affordable housing currently delivered, without impacting on overall housing delivery. The flexibility that this policy affords means that it will be able to respond to changes in the economy, resulting in a positive impact over the course of the plan period.
2.Deprivation	++	++	++	This approach is likely to maximise the amount of affordable housing delivered in the towns of the district, the areas which are recognised as most deprived. As such, the policy is seen as highly positive in respect of this objective. The approach is also likely to increase affordable housing delivery in the rural areas of the district that the SHMA recognises is home to high prices and high home ownership which prevents those from lower incomes accessing these parts of the district.
3.Travel	0	0	0	The affect on this objective depends on the location of new housing development rather than the effect of the option
4.Communities	?	?	?	It is unknown whether the draft policy would have an impact on the indicators for this objective. Some comments received during consultation on the Emerging Core Strategy suggested residents wanted more affordable housing and so an increase in delivery would be seen as having a positive impact on community satisfaction. However, some residents were not as receptive to the idea of affordable housing in their areas and so the expected increase in delivery may have a negative impact.
5.Health	0	0	0	It is not thought that that this policy would have a direct impact on this objective.
6.Education	0	0	0	It is not thought that that this policy would have a direct impact on this objective.
7.Land Efficiency	0	0	0	The affect of this policy on this objective cannot be fully quantified as it depends on the ultimate location of affordable housing delivery and not directly on different threshold and/or target levels.
8.Biodiversity	0	0	0	The affect on this objective depends on the location of new housing development rather than the effect of the policy.
9.Environment	0	0	0	The affect on this objective depends on the location of new housing development rather than the effect of the policy.
10.Waste	0	0	0	It is not thought that that this policy would have a direct impact on this objective.
11.Water	0	0	0	It is not thought that that this policy would have a direct impact on this objective.

³ Lewes District Local Plan. Part 1: Joint Core Strategy – Proposed Submission Document Sustainability Appraisal (Incorporating a Strategic Environmental Assessment) Focussed Amendments. (May 2014). Pp.284-285. http://www.lewes.gov.uk/Files/plan_SA_FA.pdf

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Objectives				Explanation
	S	M	L	
12.Energy	0	0	0	It is not thought that that this policy would have a direct impact on this objective.
13.Air Quality	0	0	0	The affect on this objective depends on the location of new housing development rather than the effect of the policy.
14.Flooding	0	0	0	The affect on this objective depends on the location of new housing development rather than the effect of the policy.
15.Coastal Erosion	0	0	0	The affect on this objective depends on the location of new housing development rather than the effect of the policy.
16.Economy	+	+	+	It is possible that an increase in affordable housing may help to support the local economy as people on lower incomes can afford to live and work in the district. This would provide a customer base for certain businesses which would also have less of a difficulty in recruiting and retaining staff.
17.Tourism	0	0	0	It is not thought that that this policy would have a direct impact on this objective.

Appraisal of Core Policy 2: Housing Type, Mix and Density⁴

Objectives				Explanation
	S	M	L	
1.Housing	+	+	+	The policy will have a positive impact as it would allow the flexibility to respond to market driven forces as well as the needs of the local community as they change throughout the plan period. This should ensure that development comes forward that is appropriate for the different parts of the district. The policy does not require developments to be built to Lifetime Homes standards and thus may deliver homes that are not appropriate for the whole community even though such standards are encouraged. However, such an approach imposes few barriers to development (for example added requirements/costs for developers) meaning that build rate should not be negatively impacted.
2.Deprivation	+	+	+	As the SHMA details, it is important to avoid creating concentrations of disadvantage by allowing a certain type of home to dominate an area that encourages a singular socio-economic group to locate. Thus the flexible policy is seen positively as it encourages a range of homes to be provided over the plan period. However, as the policy only encourages new homes to be built to Lifetime Homes standards, it may exclude some sectors of the community from accessing the housing market based on physical capabilities. However, this approach would not add to the cost of developing housing (including affordable housing), which could become a barrier to new development, particularly in deprived parts of the district where developers' margins may be tighter.
3.Travel	0	0	0	The effect of this objective depends on the location of new housing development rather than the effect of the policy.

⁴ Lewes District Local Plan. Part 1: Joint Core Strategy – Proposed Submission Document Sustainability Appraisal (Incorporating a Strategic Environmental Assessment) Focussed Amendments. (May 2014). Pp.285-287. http://www.lewes.gov.uk/Files/plan_SA_FA.pdf

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Objectives				Explanation
	S	M	L	
4.Communities	+	+	+	The policy is likely to meet the needs of the community by providing a range of dwelling type and size, that fits in with the local character of the area, therefore improving community satisfaction. The flexibility of the policy will enable local communities, should they choose to produce a neighbourhood plan, to have locally set policies on this issue if desired. As the option would not force developers to provide new homes to a lifetime homes standard, it would not satisfy parts of the community who require such properties.
5.Health	?	?	?	The approach encourages development which meets the Lifetime Homes standard, therefore does not require developers to meet the standard. It is likely that this policy will lead to an increase in homes meeting this standard (which would reflect the needs of older people and those with physical impairment), however it is uncertain.
6.Education	0	0	0	It is not thought that the options would have a noticeable impact on this objective.
7.Land Efficiency	++	++	++	The flexible approach set out in the policy will allow for the land to be developed efficiently while still respecting the local environment
8.Biodiversity	0	0	0	The affect of this objective depends on the location of new housing development rather than the types of homes being delivered.
9.Environment	++	++	++	The flexibility of the policy ensures that development will come forward at a density appropriate to a site's environment.
10.Waste	0	0	0	It is not thought that the options would have a noticeable impact on this objective.
11.Water	0	0	0	It is not thought that the options would have a noticeable impact on this objective.
12.Energy	0	0	0	It is not thought that the options would have a noticeable impact on this objective.
13.Air Quality	0	0	0	The affect on this objective depends on the location of new housing development rather than the effect of the policy options.
14.Flooding	0	0	0	The affect on this objective depends on the location of new housing development rather than the effect of the policy options.
15.Coastal Erosion	0	0	0	The affect on this objective depends on the location of new housing development rather than the effect of the policy options.
16.Economy	0	0	0	It is not thought that the options would have a noticeable impact on this objective.
17.Tourism	0	0	0	It is not thought that the options would have a noticeable impact on this objective.