

# ISLAND PLAN



## Housing Affordability Supplementary Planning Document Environmental Screening Statement



*June 2023*





## 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 Housing Affordability SPD

- 2.1 Affordable housing policy is currently provided by Core Strategy Policy DM4 `Local Affordable Housing`. National guidance has been amended since the adoption of the Core Strategy and updated evidence has been collected. It is considered that a new Supplementary Planning Document (SPD) will update and clarify the implementation of Policy DM4 in the current context.
- 1.2 Policy DM4 provides guidance on the provision of affordable housing in the planning application process. The policy is supplemented by an Affordable Housing Contributions SPD which came into force in March 2017. This sets out the parameters for collecting a 3% financial contribution from qualifying development for the provision of affordable housing, expanding on criterion 2 of policy DM4.
- 1.3 The Housing Affordability SPD will provide an update on the types of affordable housing being sought and the target mix being sought on sites. The SPD specifically supports the implementation of Core Strategy Policy DM4 criteria 3 and 4.
- 1.4 Specific areas covered in the SPD include: -

- An explanation of the affordable housing process from gaining planning permission through to the occupation of dwellings;
- Clarification on the sources of data that will be used to inform local affordable housing requirements (size, tenure, level of market discount);
- An updated commentary on the Policy DM4 target mix of 70% social/affordable rented and 30% intermediate tenures;
- The types of affordable housing the council will require developers to provide when delivering on-site affordable properties;
- The discount from the market value the Council will require on First Homes;
- An explanation of where it may be acceptable to provide a lower proportion of affordable housing, subject to viability and other factors

### 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 will be sent to those bodies for their comments over the period 12<sup>th</sup> June 2023 to 24<sup>th</sup> July 2023. The results of this consultation will be 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, which is set out in more detail in Section 6, 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 supplement criteria 3 and 4 of Core Strategy policy DM4 which seeks a) target mix of 70% of affordable housing to be social/affordable rented and 30% a mix of intermediate tenures and b) information on how the proposals benefit the community. This additional guidance will allow new development coming forward in advance of the adoption of the new Island Planning Strategy to best meet the island’s housing needs and reflect changing circumstances in the housing market.
- 4.4 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 policy 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>	<p>To ensure that the most up to date and relevant information is used by applicants when considering an appropriate mix of affordable properties on qualifying sites (policy SPD AH1), and the target mix in on-site provision (policy SPD AH2).</p>

## 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>1</sup> on the basis of the content of the policy and from it’s

<sup>1</sup> See Habitats Regulations Assessment for the Isle of Wight Core Strategy Appropriate Assessment Report April 2011

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.



## 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 Housing Affordability 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	
<i>(a) 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 an update on the target mix of affordable housing being sought on sites together with ensuring the most up to date and relevant information is used.
<i>(b) 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.
<i>(c) 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 the Housing Affordability SPD is unlikely to have a significant effect on the environment.

**National Planning Practice Guidance – Do supplementary planning document require a sustainability appraisal or strategic environmental assessment?**

Accessed: 1<sup>st</sup> June, 2023

*Supplementary planning documents do not require a sustainability appraisal but may in exceptional circumstances require a strategic environmental assessment if they are likely to have significant environmental effects that have not already have been assessed during the preparation of the relevant strategic policies.*

*Before deciding whether significant environment effects are likely, the local planning authority will need to take into account the criteria specified in [schedule 1 to the Environmental Assessment of Plans and Programmes Regulations 2004](#) and consult the consultation bodies.*

*Paragraph: 008 Reference ID: 11-008-20140306*

*Revision date: 06 03 2014*

- 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 Housing Affordability 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	To be completed following consultation with statutory consultees
Historic England	
Natural England	

- 7.3 ... comments made ...
- 7.4 A consultation statement for the SPD will be published by the council prior to any adoption that summarises the –main issues raised by respondents and how those issues have been addressed.

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

**National Planning Practice Guidance – Should the sustainability appraisal report be updated if the draft plan is modified following responses to consultation? Do supplementary planning documents require a sustainability appraisal or strategic environmental assessment?**

Accessed: 1<sup>st</sup> June, 2023

*The sustainability appraisal report will not necessarily have to be amended if the 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 plan. A change is likely to be significant if it substantially alters the plan and/ or is likely to give rise to significant effects. Supplementary planning documents do not require a sustainability appraisal but may in exceptional circumstances require a strategic environmental assessment if they are likely to have significant environmental effects that have not already been assessed during the preparation of the relevant strategic policies.*

*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*

- 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			
AHCSPD 13a			

## 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.