



# **Report to the South Downs National Park Authority**

**by B J Sims BSc(Hons) CEng MICE MRTPI**

**an Inspector appointed by the Secretary of State**

**Date: 18 June 2019**

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Planning and Compulsory Purchase Act 2004

(as amended)

Section 20

## **Report on the Examination of the South Downs Local Plan 2014-2033**

The Plan was submitted for examination on 27 April 2018

The examination hearings were held between 13 November and 12 December 2018

File Ref: PINS/Y9507/429/2

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## **Matter 8 – Biodiversity**

### **Does the Plan make appropriate and effective provisions for Biodiversity consistent with current national policy and guidance?**

*Strategic Policy SD9 – Biodiversity and Geodiversity*

*Strategic Policy SD10 – International Sites*

*Strategic Policy SD11 – Trees Woodland and Hedgerows*

313. Notwithstanding the terms of Policies SD9 and SD10 on submission, they are potentially unsound in that they no longer reflect national policy in the NPPF of 2018-19 and current guidance. That is, in particular, with reference to the achievement of net gain and enhancement in biodiversity and the scope of protection of European protected sites, their surrounding areas and the definition of exclusion or buffer zones.
314. A series of changes is required to make Policy SD9 sound. There needs to be a clear requirement for a demonstrable net gain for biodiversity, including the protection of and support for the recovery of rare, notable and priority species and compliance with the mitigation hierarchy of national policy. The necessary changes are implemented by **MMs6-9** and **MM11**, the latter being slightly revised from the consultation version to refer to delivering the aims of relevant biodiversity strategies.
315. Similarly, Policy SD10 requires correction to ensure appropriate acknowledgement of the Singleton and Cocking Tunnels SAC alongside the Mens and Ebernoe Common SACs and to set down appropriate protection zones for rare breeds of protected bats, consistent with the updated HRA. An additional criterion is also needed to refer to ongoing group working by the SDNPA with relevant authorities to help protect the Wealden Heaths Phase II SPA, in line with the HRA. A final amendment is necessary with respect to the Solent Coast SPAs to clarify the wording of the Policy regarding the mitigation of in-combination impacts which are likely to have a significant adverse effect on the SPAs. All these necessary changes are made by **MMs12-16**.
316. Amendment is also required to the supporting text to Policy SD11, by way of **MMs17-18**, to correct the omission of reference to new planting in support of Ancient Woodland and Veteran Trees, with cross-reference to Policy SD9 on Biodiversity by way of **MM10**.
317. With those modifications in place, the provisions of the Plan for Biodiversity are sound.

## **Matter 9 – Affordable Homes and Rural Exception Sites**

### **Does the Plan make appropriate and effective provisions for affordable homes and rural exception sites?**

*Strategic Policy SD28 – Affordable Homes*

*Strategic Policy SD29 – Rural Exception Sites*

318. Strategic Policies SD28 and SD29 set out the provisions of the Plan respectively for Affordable Homes contributions within new housing development and for Rural Exception Sites for affordable homes outside settlement boundaries.
319. It is now established within national policy and guidance that the Plan should not seek affordable housing contributions from housing sites of 10 or fewer dwellings, or 5 or fewer in designated rural areas, including National Parks. The NPPF of 2018-19 in effect makes a similar provision for sites of 9 or fewer dwellings. The exception is where the evidence base and local circumstances justify lower, tariff-style thresholds.
320. Policy SD28 provides a sliding scale of contributions of 50% from sites of 11 or more dwellings, 40% for sites of 10 dwellings, 30% for sites of 9, and down to 1 unit for sites of 4 or 5 dwellings, with a financial contribution for sites of 3 dwellings negotiated case-by-case. There are parallel requirements to secure a proportion of rented affordable homes.
321. The main issues are whether this tariff is viable and whether it is justified by the evidence base of the Plan and the particular circumstances of the SDNP.
322. As concluded in connection with Matter 4 above, there is a pressing need for affordable homes in the Park. This exceeds 50% of the total objectively assessed housing need and, at 293dpa, is well in excess of the development capacity of the Park for new housing. This is in a context of market signals that housing affordability is particularly acute and of historic low delivery of affordable homes. There is clear evidence that a majority of around 62% of affordable homes delivered in the Park have been on small sites below 10 and often of 4 or 5 dwellings. Given also that the policy focus of housing growth within the Park is on affordable home provision, there is clearly exceptional justification for a sliding scale of contributions for sites below the normal 10, 9 or 5 unit thresholds.
323. The Local Plan and Affordable Housing Viability Assessment of 2017 updates previous viability work in the light of the seven years of experience now accumulated by the SDNP following its designation.
324. The approach and results of the Viability Assessment Study follow accepted methodology, in line with the PPG, and are essentially unchallenged. The Assessment adopts various residual land values according to agricultural, previously developed and prospective rural exception site usage. It tests a range of 17 site typologies on residual land value, assuming a reasonable uplift over current use value. This incorporates the desirable housing mix of Strategic Policy SD27. The cost of compliance with the requirements of Strategic Policy 48 for energy efficiency, limited water consumption and construction standards, in respect of Climate Change and Sustainable Use of Resources is also taken into account. Build costs and developer profit of 20% are conservatively assumed so as err on the side of understating residual value and hence viability.
325. The result of the Assessment led to the scale of contributions now sought by Policy SD28 and these are supported by this robust evidence. That is notwithstanding previous evidence leading to the adoption of lower percentage contributions, for example in the Lewes JCS.

326. There is evidence of a wide range of potential complex variables affecting the actual viability of specific housing proposals to bring forward the level of affordable contributions set by Policy SD28. These relate to relative proportions of rented, part-owned or owned tenures as well as to individual site characteristics. In view of the evidence of the broad viability of the site typologies tested at this level of plan preparation, these matters may properly be left to the planning application and development management process.
327. Given the high importance of securing an increase in affordable homes in support of Park communities, it is right that the test of viability be rigorously applied. At the same time, Policy SD28 makes realistic provision for a negotiated lower contribution when justified in individual cases.
328. Paragraph 7.68 of the supporting text to Policy SD28 intimates that where, exceptionally, a lower proportion of affordable homes than sought by the sliding scale of the Policy is accepted in an allowing an application, a clawback clause will be incorporated into the related planning obligation to secure a higher contribution if market conditions and the viability of the development improve before completion. This is a reasonable stipulation on the basis that financial risk will have been removed by the date of implementation of any such provision.
329. The SDNPA works in partnership with several recognised providers of affordable homes and it is evident that there is commitment among such agencies to support and bring forward affordable housing schemes and contributions, including from the majority of small sites allocated by the Plan. This indicates a good probability that Policy SD28 will be successful in delivering as much of the identified need for affordable homes in the SDNP as can fairly be expected.
330. Strategic Policy SD29 allows rural exception sites for 100% affordable housing subject to criteria of suitability in terms including landscape, sustainability, scale, location and type, as informed by community engagement. Supporting paragraph 7.79 allows for an optimum lower alternative to 100% affordable dwellings to meet local need where robust viability evidence demonstrates a genuine risk of the site not coming forward. In the Park context of rigorous landscape protection alongside a focus on increasing affordable home provision, I consider that Policy SD29 with its supporting text makes appropriately balanced provision for rural exception housing sites.
331. For the foregoing reasons, I consider that the provisions of Strategic Policies 28 and 29 for Affordable Homes and Rural Exception Sites are sound, as submitted.

### **Summary of Assessment of Legal Compliance**

332. My examination of the legal compliance of the Plan is summarised below.
333. The Plan has been prepared in accordance with the SDNP **Local Development Scheme** Sixth Revision October 2018.
334. As discussed and concluded within the Preamble above, public consultation on the Plan, the MMs and the updates and addenda to the Sustainability Appraisal