Regional Spatial Strategy for the South East: Sustainability Appraisal and Habitats Regulations Assessment/ Appropriate Assessment of the Secretary of State’s Final Revisions

Prepared for the Government Office for the South East

April 2009
Revision Schedule

Regional Spatial Strategy for the South East: Sustainability Appraisal and Habitats Regulations Assessment / Appropriate Assessment of the Secretary of State’s Final Revisions
April 2009

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1 Introduction

1.1 The South East Plan

1.1.1 The Regional Spatial Strategy (RSS) for the South East – ‘the South East Plan’ - will set out the scale, priorities and broad locations for future development across the region - providing a framework for where and how much development should take place. It will cover a broad range of issues including housing, retail and the environment and will include a Regional Transport Strategy. Once adopted, it will form a statutory document with which local authority development plans must conform.

1.2 The Secretary of State’s Proposed Changes


1.3 The Secretary of State’s Final Revisions

1.3.1 Following consultation on the Proposed Changes, the Secretary of State has made Final Revisions to the Plan and it is anticipated that the final version of the RSS will be published in spring 2009.

1.4 SA and HRA / AA

1.4.1 The Draft South East Plan was subject to a Sustainability Appraisal (SA) which was submitted to the Government alongside the Draft Plan. SA seeks to identify and evaluate the impacts of a plan on the economy, the community and the environment – the three dimensions of sustainable development – and suggest measures for improving the plan’s sustainability performance. The SA process incorporated a Strategic Environmental Assessment (SEA), as required under EU legislation1. The Draft South East Plan was also subject to an assessment of its impacts on nature conservation sites of European importance - a so-called Habitats

1 Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment
Regulations Assessment (HRA) / Appropriate Assessment (AA).

1.4.2 Following the publication of the Panel Report, Scott Wilson and Levett-Therivel Sustainability Consultants were commissioned to undertake the SA and HRA / AA of the Proposed Changes. The SA and HRA / AA was undertaken prior to the finalisation of the Proposed Changes; this provided an opportunity for the Secretary of State to consider our recommendations and reflect these in the Proposed Changes as appropriate.

1.4.3 Following consultation on the Proposed Changes, the Secretary of State has made Final Revisions to the Draft South East Plan and these have been subject to SA and HRA / AA, again by Scott Wilson and Levett-Therivel Sustainability Consultants.

1.5 This report

1.5.1 This report sets out the findings of the SA and HRA / AA of the Secretary of State’s Final Revisions. To promote continuity, it draws heavily on the SA and HRA / AA of the Proposed Changes. The report is structured as follows:

- **Chapter 2** sets out our methodology for undertaking the SA and HRA / AA
- **Chapter 3** sets out the SA of the housing options put forward by the Secretary of State at the Proposed Changes stage and the subsequent change under the Final Revisions
- **Chapter 4** investigates the overarching issue of infrastructure and growth
- **Chapters 5 – 14** set out the SA findings and recommendations in relation to the following key issues:
  - Chapter 5 – Air quality and causes of climate change
  - Chapter 6 – Biodiversity and open space
  - Chapter 7 – Community wellbeing
  - Chapter 8 – Economy
  - Chapter 9 – Flood Risk
  - Chapter 10 – Housing and affordable housing
  - Chapter 11 – Landscape and historic environment
  - Chapter 12 – Transport and Accessibility
  - Chapter 13 – Water quality
  - Chapter 14 – Water resources
- **Chapter 15** sets out the HRA / AA conclusions
• Chapter 16 sets out the SA conclusions and our recommendations for the First Review of the South East Plan
• Chapter 17 sets out our proposals for monitoring
2 Process and methodology

2.1 Introduction

2.1.1 This section sets out the SA and HRA / AA process for the South East Plan and our methodology for undertaking the SA and HRA / AA of the Secretary of State’s Final Revisions to the Draft South East Plan.

2.2 Process and methodology – SA

SA process

2.2.1 SA for Regional Spatial Strategies involves a five stage process – see Figure 1.

Figure 1: Five-stage approach to SA

Stage A
- Assemble the evidence base to inform the appraisal
- Establish the framework for undertaking the appraisal (in the form of sustainability objectives)

Stage B
- Appraise the plan objectives, options and preferred options / policies against the framework taking into account the evidence base.
- Propose mitigation measures for alleviating the plan’s adverse effects as well as indicators for monitoring the plan’s sustainability

Stage C
- Prepare a Sustainability Appraisal Report documenting the appraisal process and findings

Stage D
- Consult stakeholders on the plan and SA Report

Stage E
- Monitor the implementation of the plan (including its sustainability effects)
2.2.2 **Stage A** in the SA process involves developing the **framework** for undertaking the appraisal – generally a set of sustainable development objectives – as well as an **evidence base** to inform the appraisal. The framework and evidence base are presented in a **Scoping Report** for consultation with stakeholders including the statutory consultees (English Heritage, the Environment Agency and Natural England). In this case, the Scoping Report was prepared by ERM in October 2004 and employed the 25 objectives of the South East Integrated Regional Framework (IRF) as the basis for the framework (the IRF has since been updated – see below).2

2.2.3 **Stage B** in the SA process involves undertaking the **appraisal** itself. This involves identifying and evaluating the impacts of the different options open to the plan-makers as well as the preferred options / draft plan policies. **Mitigation measures** for alleviating adverse impacts are also proposed at this stage together with potential indicators for **monitoring** the plan’s implementation. In this case, the appraisal of the Draft South East Plan was undertaken by ERM.

2.2.4 **Stage C** in the SA process involves documenting the appraisal and preparing the **SA Report** (this incorporates the material required for inclusion in the Environmental Report under the SEA Directive). In this case, several iterations of the SA Report were prepared as the Draft South East Plan emerged including one which was subject to regional consultation alongside an early draft of the plan (see below). The SA process culminated in the SA Report which was submitted to Government alongside the Draft South East Plan in March 20063.

2.2.5 **Stage D** in the SA process involves **consulting** on the Draft RSS and the SA Report. In the case of the emerging South East Plan, this consultation took place in January – March 2005. Following this consultation, SEERA made amendments to the plan and formally submitted the Draft South East Plan and the accompanying SA Report to the Government on 31st March 2006. It was tested at Examination in Public (EiP) between November 2006 and March 2007 and the Report of the EiP Independent Panel – ‘the Panel Report’ – was published on 29th August 2007. The Secretary of State then considered the recommendations in the Panel Report and published her **Proposed Changes** to the Draft South East Plan on 17th July 2008. Government guidance on SA for RSSs makes clear that where the Secretary of State proposes **significant changes** that have not already been subject to SA, then further appraisal must be undertaken4. The significant changes were appraised by Scott Wilson and Levett-Therivel and the resulting SA (and HRA / AA) Report was made available for consultation alongside the Proposed Changes. Consultation on the Proposed Changes and the accompanying SA (and HRA / AA) report ended on 24 October 2008.

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2.2.6 Following consultation on the Proposed Changes, the Secretary of State has made Final Revisions to the Plan and it is anticipated that the final version of the RSS will be published in spring 2009. The appraisal of significant changes (see Section 2.3 below) has once again been undertaken by Scott Wilson and Levett-Therivel Sustainability Consultants and is the subject of this report (along with HRA / AA).

2.2.7 **Stage E** in the SA process involves **monitoring** the adopted RSS including its sustainability impacts. In this case, SEERA will monitor the adopted South East Plan through its annual Regional Monitoring Reports.

2.3 **Final revisions - significant changes**

2.3.1 Table 1 summarises the significant changes made to the Draft South East Plan since the consultation on the Proposed Changes concluded in October 2008. This SA (and HRA / AA) appraises these significant changes as well as the impacts of the final South East Plan as a whole.
Table 1: Significant changes to the Draft South East Plan following consultation on the Proposed Changes

<table>
<thead>
<tr>
<th>Change Description</th>
<th>Region</th>
<th>Numbers</th>
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<tbody>
<tr>
<td>Adds references to the environment in (primarily) economic policies, e.g.:</td>
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<tr>
<td>CC1 - adds reference to the natural environment, and safe and inclusive communities</td>
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<td>CC4 – secures (rather than encourages) a reduction and recycling of construction/demolition waste</td>
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<td>RE1 – sustainable development principles should be ‘respected’; when spatial requirements for market flexibility are aimed at</td>
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<td>RE3 – need to safeguard the environment should be ‘recognised’ in joint employment land reviews</td>
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<td>RE5 – Smart growth should be planned for ‘with environmental partners’</td>
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<td>TSR2 – promotes locally produced products, such as food and crafts</td>
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<td>Supports aspirations of Thames Gateway to be the UK’s first eco-region</td>
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<td>CC2 – updates CO2 reduction targets from 60% to 80%</td>
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<td>H1, SCT5, LF3, MKAV1, MKAV2, GAT3, AOSR2 – housing numbers reduced from 662,500+ to 654,000 (from 33,125 to 32,700 per year). Change is (total provision):</td>
<td>Sussex coast – from 70,300 to 68,900</td>
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<td>London fringe – from 48,620 to 47,880</td>
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<td>Milton Keynes – from 71,460 to 68,260</td>
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<td></td>
<td>Gatwick – minor change</td>
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<td></td>
<td>Rest of Bucks. – from 6,100 to 3,700</td>
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<td>Rest of Hampshire – from 24,900 to 24,400</td>
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<td></td>
<td>Reductions in Brighton &amp; Hove, Reigate &amp; Banstead, Milton Keynes (east of M1)</td>
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<tr>
<td>With regard to the DERA site at Chertsey: “This allocation will be delivered in the period between 2016-2026. Between 2006-2015 the annual requirement will be 161 dwellings per annum. In the event that the site cannot be released for housing, there is no expectation that the shortfall should be provided elsewhere within Runnymede.”</td>
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<tr>
<td>‘At least’ removed from H1. Housing numbers are no longer to be ‘treated as minimums’.</td>
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<td>Instead notes that “Local authorities can test higher numbers through their development plan documents provided that they are consistent with the principles of sustainable development set out in PPS1 and tested through sustainability appraisal and Habitats Regulations Assessment. The next review of this RSS also needs to review the current levels of housing and a higher rate of provision than 32,700 dwellings per annum is likely to be necessary to meet the strategic needs in the region.”</td>
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<td>CC7 – adds certainty re. regional infrastructure fund</td>
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<td>CC8 – green infrastructure policy changed to reduce emphasis on biodiversity and increase emphasis on multifunctionality</td>
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<td>H1, EKA3, LF3 – Clarifies that housing numbers in H1 are annual averages rather than annual targets</td>
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<td>Spatial Strategy - removes East of the M1 Motorway, Milton Keynes from the list of Strategic Development Areas</td>
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<td>Identifies Shoreham as a growth point: SCT1 promotes a Strategic Development Area and</td>
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growth point at Shoreham Harbour, including mixed use development

Identifies **Dover** as a growth point: ‘Substantial urban extension’ required at Dover

RE6, T9 – update RSS to take account of Government decision to support a **third runway at Heathrow**

**Updates list of strategic transport infrastructure priorities** to reflect government funding, but only very minor changes to the actual list (e.g. Windsor Park and Ride changed to Windsor Parking and Transport Project)

**NRM1** – Water resources – reference added to “Maintaining an adequate supply and encouraging water efficiency whilst meeting Habitats, Birds and Water Framework Directives”

**NRM2** – includes reference to **Water Framework Directive** and its tests of ‘no deterioration’

**NRM 3** – proposes **other options for strategic water resources development**, including desalination schemes and bulk transfer of water

**NRM5** – comprehensive changes (see HRA / AA)

**NRM6** – policy on Thames Basin Heaths has been comprehensively reworded

**New reference to flood risk assessment / management:**

**LF3** – ‘The phasing of housing allocations should be subject to the management of flood risk’. RSS allocations may need to be revised

**WCBV3** - The distribution of development should be informed by strategic flood risk assessments’. RSS allocations may need to be revised.

**SH5** – supporting text notes that PUSH authorities should carry out a level 2 Strategic Flood Risk Assessment, and that this should be used to inform sub-regional housing distribution

**W3, W7** – **landfill provision and waste management capacity apportionment should be used as a benchmark**, but waste planning authorities should use more recent data where it is available; major changes to the figures may trigger reconsideration of apportionment in RSS

**BE5** – aims to protect the **landscape setting and character of villages**

**Delivery mechanism for employment sites of SCT3** may, ‘in exceptional circumstances’, include mixed use schemes

**New reference to wastewater treatment infrastructure** needed, or need for **water cycle studies**:

**EKA2** - Ashford growth needs to be accompanied by strategic planning of sewerage infrastructure and wastewater treatment plants

**LF3** - No further housing can be located within catchment of the Hogsmill WWTW until capacity issues have been dealt with; housing for Epsom & Ewell and Elmbrige will need to be provided outside the WWTW catchment. If this cannot be done, the RSS allocations may need to be revised

**WCBV3** – Housing within catchment of Blackwater WWTW and other constrained wastewater treatment infrastructure ‘will need to be informed by a water cycle study’.

**GAT3** – local planning authorities must have regard to water cycle strategies etc. when locating housing

**AOSR3** – Water cycle study to be carried out for Whitehill/Borden development of 5500 homes. If [additional] constraints are identified, a different scale of development may be needed

**SH8** – insertion of reference to ‘water supply’ and ‘water abstraction’ as well as wastewater
treatment.
South Hampshire, Para 16.33 – inclusion of “further consideration of the most environmentally sustainable options for waste water disposal under current environmental legislation” into the bullet list of actions for the South Hampshire authorities to deliver in collaboration

“Wise use of the remaining capacity within the Chickenhall WWTW discharge consent will negate the need to consider alternative discharge locations for new development.” (para. 25.22); “The options for new developments within the area will need to be evaluated in terms of local sewage infrastructure capacity versus environmental sustainability.” (para. 25.23).
Mentions wastewater infrastructure constraints at Winchester.

Additional references to HRA and changes to HRA references:
South Hampshire, Para 16.24 – with regard to decisions on phasing and distribution, the phrase “following subsequent iterations of Habitats Regulations Assessment of the implications on Natura 2000 and Ramsar sites” has been removed and the phrase “in order to find the most environmentally sustainable options under existing environmental legislation e.g. Habitat Regulations, Water Framework Regulations, etc.” has been added instead.
SCT5 - Removal of requirement to decide phasing and distribution of housing in Sussex Coast authorities only after subsequent iterations of HRA; supporting text suggests that there is now enough data to allow a decision on housing numbers of Shoreham Harbour
Notes that development east of Gravesend may affect European sites
LF3 – reference to provision of SANGS removed from DERA site allocations
IW1 - Development at Ryde, Sandown Bay, Ventnor and West Wight is to be subject to HRA
SA methodology

2.3.2 The SA of the Final Revisions has been undertaken in three parts:

- an appraisal of the Secretary of State’s options for future housing provision in the South East (see Chapter 3);
- an investigation into the overarching issue of infrastructure and growth (Chapter 4); and
- an appraisal of the impacts of the Final Revisions / South East Plan in relation to a series of key topics (see Chapters 5 - 14).

2.3.3 For each topic (e.g. biodiversity, flood risk and housing and affordable housing), we asked a series of questions:

- What’s the policy context?
- What are the key sustainability objectives we need to consider?
- What’s the situation now?
- What will be the situation without the plan?
- What will be the situation under the Draft South East Plan?
- What would be the situation under the Draft Proposed Changes?\(^5\)
- How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations? (I.e. how were they reflected in the Proposed Changes?)
- What will be the situation under the Final Revisions / South East Plan?

2.3.4 The situation without the plan equates to current Regional Planning Guidance for the South East (RPG9) together with other future changes and trends. With respect to the situation under the Draft South East Plan, we have taken the findings of the SA of the Draft Plan by ERM as the basis for answering this question.

2.3.5 These questions correspond to the key requirements of the SEA Directive, as set out in Annex I to the Directive – see Table 2.

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\(^5\) Note we were supplied with a set of ‘Draft’ Proposed Changes to assess in order that the SA could influence the content of the plan.
Table 2: Meeting the requirements of the SEA Directive (1)

<table>
<thead>
<tr>
<th>Questions for each topic</th>
<th>Key requirement of the SEA Directive</th>
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<tbody>
<tr>
<td>What’s the policy context?</td>
<td>“an outline of the contents, main objectives of the plan or programme and relationship with other relevant plans and programmes” (Annex I(a))</td>
</tr>
<tr>
<td>What are the key sustainability objectives we need to consider?</td>
<td>“the environmental protection objectives, established at international, Community or Member State level, which are relevant to the plan or programme and the way those objectives and any environmental considerations have been taken into account during its preparation” (Annex I(e))</td>
</tr>
<tr>
<td>What’s the situation now?</td>
<td>“the relevant aspects of the current state of the environment and the likely evolution thereof without implementation of the plan or programme” (Annex 1(b))</td>
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<td>“any existing environmental problems which are relevant to the plan or programme including, in particular, those relating to any areas of a particular environmental importance, such as areas designated pursuant to Directives 79/409/EEC and 92/43/EEC” [NB problems relating to European sites are addressed through the HRA / AA – see Chapter 15] (Annex I(d))</td>
</tr>
<tr>
<td>What will be the situation without the plan?</td>
<td>“the relevant aspects of the current state of the environment and the likely evolution thereof without implementation of the plan or programme” (Annex I(b))</td>
</tr>
<tr>
<td>What will be the situation under the Draft South East Plan?</td>
<td>“the likely significant effects (1) on the environment, including on issues such as biodiversity, population, human health, fauna, flora, soil, water, air, climatic factors, material assets, cultural heritage including architectural and archaeological heritage, landscape and the interrelationship between the above factors (1) These effects should include secondary, cumulative, synergistic, short, medium and long-term permanent and temporary, positive and negative effects” (Annex I(f))</td>
</tr>
<tr>
<td>What would be the situation under the Draft Proposed Changes?</td>
<td>“the measures envisaged to prevent, reduce and as fully as possible offset any significant adverse effects on the environment of implementing the plan or programme” (Annex I(g))</td>
</tr>
<tr>
<td>How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations? (I.e. how were they reflected in the Proposed Changes?)</td>
<td>“The environmental report…shall be taken into account during the preparation of the plan or programme and before its adoption or submission to the legislative procedure” (Article 8)</td>
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Questions for each topic | Key requirement of the SEA Directive
--- | ---
What will be the situation under the Final Revisions / South East Plan? | “the likely significant effects (1) on the environment, including on issues such as biodiversity, population, human health, fauna, flora, soil, water, air, climatic factors, material assets, cultural heritage including architectural and archaeological heritage, landscape and the interrelationship between the above factors (1) These effects should include secondary, cumulative, synergistic, short, medium and long-term permanent and temporary, positive and negative effects” (Annex I(f))

2.3.6 Note that the requirements of Annex I not recorded in the table above can be found in the ERM Scoping Report or elsewhere in this document – see Table 3.

**Table 3: Meeting the requirements of the SEA Directive (2)**

<table>
<thead>
<tr>
<th>Key requirement of the SEA Directive</th>
<th>Where can this be found?</th>
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<tr>
<td>“the environmental characteristics of areas likely to be significantly affected” (Annex I(c))</td>
<td>ERM Scoping Report (note the Scoping Report also contains further detail in relation to Annex I a, b, d and e)</td>
</tr>
<tr>
<td>“an outline of the reasons for selecting the alternatives dealt with, and a description of how the assessment was undertaken including any difficulties (such as technical deficiencies or lack of know-how) encountered in compiling the required information” (Annex I(h))</td>
<td>Chapter 3 of this report</td>
</tr>
<tr>
<td>“an outline of the reasons for selecting the alternatives dealt with, and a description of how the assessment was undertaken including any difficulties (such as technical deficiencies or lack of know-how) encountered in compiling the required information” (Annex I(h))</td>
<td>Chapter 2 of this report (this chapter)</td>
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<tr>
<td>“a description of the measures envisaged concerning monitoring...” (Annex I(i))</td>
<td>Chapter 17 of this report</td>
</tr>
<tr>
<td>“a non-technical summary of the information provided under the above headings” (Annex I(j))</td>
<td>Published as a separate volume</td>
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</tbody>
</table>
2.3.7 Although the ERM Scoping Report set out the requirements of Annex I a (policy context), b (baseline information), d (problems) and e (objectives), we have summarised this information in the various topic chapters of this report in order assist in telling the ‘story’ for each topic. We have also included new policy context and baseline information where this adds value.

2.3.8 In relation to the question “What are the key sustainability objectives we need to consider?”, we have focused on the objectives set out in the revised Integrated Regional Framework (the Regional Sustainability Framework) – see Table 4.
Table 4: Regional Sustainability Framework objectives

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>1.</td>
<td>To ensure that everyone has the opportunity to live in a <strong>decent, sustainably</strong></td>
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<td></td>
<td><strong>constructed</strong> and <strong>affordable home</strong> suitable to their need</td>
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<td>2.</td>
<td>To <strong>improve the health and well-being</strong> of the population and reduce inequalities</td>
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<td></td>
<td>in health</td>
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<td>3.</td>
<td>To <strong>reduce poverty and social exclusion</strong> and, by improving their performance,</td>
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<td></td>
<td>close the gap between the most deprived areas in the South East and the rest of</td>
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<tr>
<td></td>
<td>the region</td>
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<td>4.</td>
<td>To <strong>raise educational achievement</strong> levels across the region and develop the</td>
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<td></td>
<td>opportunities for everyone to acquire the skills needed to find and remain in work</td>
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<td>5.</td>
<td>To <strong>reduce crime and perceptions of disorder</strong></td>
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<td>6.</td>
<td>To <strong>create and sustain vibrant communities</strong> which recognise the needs and</td>
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<td></td>
<td>contributions of all individuals</td>
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<td>7.</td>
<td>To <strong>improve accessibility to all services and facilities</strong> including the</td>
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<tr>
<td></td>
<td>countryside and the historic environment</td>
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<td>8.</td>
<td>To encourage <strong>increased engagement in cultural activity</strong> across all sections of</td>
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<td></td>
<td>the community in the South East and promote sustainable tourism</td>
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<td>9.</td>
<td>To ensure <strong>high and stable levels of employment</strong> so everyone can benefit from</td>
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<td></td>
<td>the economic growth of the region</td>
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<tr>
<td>10.</td>
<td>To <strong>sustain economic growth and competitiveness</strong> across the region by focusing</td>
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<td></td>
<td>on the principles of smart growth: raising levels of enterprise, productivity and</td>
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<td></td>
<td>economic activity</td>
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<tr>
<td>11.</td>
<td>To <strong>stimulate economic revival in deprived areas</strong></td>
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<tr>
<td>12.</td>
<td>To <strong>develop a dynamic, diverse and knowledge-based economy</strong> that excels in</td>
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<td></td>
<td>innovation with higher value, lower impact activities</td>
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<tr>
<td>13.</td>
<td>To <strong>develop and maintain a skilled workforce</strong> to support long-term competitiveness</td>
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<td></td>
<td>of the region</td>
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<tr>
<td>14.</td>
<td>To <strong>improve efficiency in land use</strong> through the appropriate re-use of previously</td>
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<td></td>
<td>developed land and existing buildings, including re-use of materials from buildings,</td>
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<td></td>
<td>and encourage urban renaissance</td>
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<td>15.</td>
<td>To <strong>reduce the risk of flooding</strong> and the resulting detriment to public wellbeing,</td>
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<tr>
<td></td>
<td>the economy and the environment</td>
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<td>16.</td>
<td>To <strong>reduce air pollution</strong> and ensure air quality continues to improve</td>
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<td>17.</td>
<td>To address the causes of climate change through <strong>reducing emissions of greenhouse</strong></td>
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<td></td>
<td><strong>gases</strong></td>
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<tr>
<td>18.</td>
<td>To ensure that the South East is <strong>prepared for the impacts of climate change</strong></td>
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<td>19.</td>
<td>To <strong>conserve and enhance the region’s biodiversity</strong></td>
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<tr>
<td>20.</td>
<td>To <strong>protect and enhance the region’s countryside and historic environment</strong></td>
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<tr>
<td>21.</td>
<td>To <strong>improve the efficiency of transport networks</strong> by enhancing the proportion of</td>
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<td></td>
<td>travel by sustainable modes and by promoting policies which reduce the need to travel</td>
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</table>
22. To reduce the global, social and environmental impact of consumption of resources by using **sustainably and ethically produced, local or low impact products**

23. To reduce waste generation and disposal, and achieve the sustainable management of waste

24. To maintain and improve the water quality of the region’s rivers, ground waters and coasts, and to achieve sustainable water resources management

25. To **increase energy efficiency**, security and diversity of supply and the proportion of energy generated from **renewable sources** in the region

### Reasoning behind the methodology

2.3.9 The topic-based approach to undertaking SA used in this report is significantly different from standard approaches to SA. However, we have followed this approach since we feel that it better assists in telling the ‘story’ of how the South East Plan has evolved.

2.3.10 In addition, a judicial review of September 2007 found that SEAs prepared for two local plans in Northern Ireland were ‘not in substantial compliance’ with the requirements of the SEA Directive, in part because they did not describe the likely evolution of the current state of the environment without implementation of the plan and did not describe the full range of possible effects of the plan (e.g. short, medium, long term, synergistic, cumulative etc.). This suggests that a step-change in the quality of SA / SEA reports is required. We feel that the topic-based approach assists in clearly identifying the evolution of the current state of the environment and provides a greater scope for identifying the full range of impact dimensions. The topic-based approach also provided a greater opportunity to cite the considerable body of relevant evidence that has emerged since the submission of the Draft South East Plan in March 2006.

2.3.11 The SEA Directive requires an acknowledgement of any difficulties - such as technical deficiencies or lack of know-how - encountered in undertaking the assessment and in compiling the required information. In this case, the most significant difficulty was in determining the level in the planning hierarchy – regional, sub-regional or local – at which certain matters should be most appropriately assessed. In particular, the question arose as to whether or not the capacity for particular authorities to accommodate and sustainably locate new housing development should be addressed as part of this appraisal or as part of SAs of Local Development Documents prepared by those authorities. In practice, we followed two general rules:

- **The level of detail in the appraisal should be proportionate to the level of detail in the plan.** For example, where the Plan lists specific development sites, we have tried to provide site-specific information. This reflects the requirements of the SEA Directive which states that the information set out in the Environmental Report should reflect “**current knowledge and methods of assessment, the contents and level of detail in the plan or programme, its stage in the decision-making process**
and the extent to which certain matters are more appropriately assessed at different levels in that process in order to avoid duplication of the assessment” (Article 5(2)).

- Where the impact depends on where the development is located, we have assumed that the development would be located in areas of minimal impact. However where it was difficult to imagine a scenario in which the development could be accommodated with minimal impact – for instance if most of the proposed location was subject to flood risk – then we identified this as an impact.

2.3.12 For most of the topics discussed in this report, the Plan would have both positive and negative impacts. The mere presence of a policy – either for development or for protection - does not necessarily lead to its effective implementation. We have generally assumed that the more development-oriented policies will be implemented; but have been more cautious in our assumptions about the remaining ‘safeguard' policies. We have assumed that policies that would carry on an existing trend will be implemented; but have been more cautious about policies that would go counter to existing trends. The reasons for these assumptions are discussed further in Appendix 2.
2.4 Process and methodology – HRA / AA

HRA / AA process

2.4.1 In October 2005, the European Court of Justice ruled that the UK had failed to transpose the provisions of Article 6(3) and (4) of Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora – the Habitats Directive – into national law. Specifically, the UK had failed to ensure that land use plans are subject to Appropriate Assessment (AA) where they might have a significant effect on a Natura 2000 or European site (Special Areas of Conservation, SACs and Special Protection Areas, SPAs). Land use plans include RSSs. Planning Policy Statement (PPS) 9 states that Ramsar sites (wetlands of international importance) should receive the same protection as designated SACs and SPAs. Following the European Court ruling, the former Office of the Deputy Prime Minister (ODPM; now CLG) indicated that the regulations implementing the Habitats Directive in the UK would be amended to ensure that HRA explicitly applies to land use plans6.

2.4.2 The need for Habitat Regulations Assessment is set out within Article 6 of the EC Habitats Directive 1992, and interpreted into British law by Regulation 48 of the Conservation (Natural Habitats &c) Regulations 1994 (as amended in 2007). The ultimate aim of HRA is to “maintain or restore, at favourable conservation status, natural habitats and species of wild fauna and flora of Community interest” (Habitats Directive, Article 2(2)). This aim relates to habitats and species, not the European sites themselves, although the sites have a key role in delivering favourable conservation status.

2.4.3 The Habitats Directive applies the precautionary principle to protected areas; plans and projects can only be permitted having ascertained that there will be no adverse effect on the integrity of the site(s) in question. This is in contrast to the SEA Directive which does not prescribe how plan or programme proponents should respond to the findings of an environmental assessment; it simply says that the assessment findings (as documented in the ‘environmental report’) should be ‘taken into account’ during preparation of the plan or programme. In the case of the Habitats Directive, plans and projects may still be permitted if there are no alternatives to them and there are Imperative Reasons of Overriding Public Interest (IROPI) as to why they should go ahead. In such cases, compensation would be necessary to ensure the overall integrity of the site network.

2.4.4 In order to ascertain whether or not site integrity will be affected, an HRA should be undertaken of the plan or project in question – see Box 1.

6 The Government previously argued that HRA did not apply to development plans on the basis that “Development in this context does not include development plans, since the plan itself cannot authorize developments that would affect the site” (PPG9: Nature Conservation, 1994).
Box 1: The legislative basis for Habitat Regulations Assessment

Habitats Directive 1992

Article 6 (3) states that:
“Any plan or project not directly connected with or necessary to the management of the site but likely to have a significant effect thereon, either individually or in combination with other plans or projects, shall be subject to appropriate assessment of its implications for the site in view of the site’s conservation objectives.”

Conservation (Natural Habitats &c. Regulations) 1994 (as amended)
Regulation 48 states that:
“A competent authority, before deciding to … give any consent for a plan or project which is likely to have a significant effect on a European site … shall make an appropriate assessment of the implications for the site in view of that sites conservation objectives”. “… The authority shall agree to the plan or project only after having ascertained that it will not adversely affect the integrity of the European site”.

2.4.5 The entire HRA process from draft RSS to final RSS has been carried out in the absence of formal Government guidance. Communities and Local Government released a consultation paper on Appropriate Assessment of Plans in 2006\(^7\). As yet, no further formal guidance has emerged.

2.4.6 Experience with HRA of LDFs and RSSs suggests that 1) a European site based approach, and 2) avoidance / mitigation measures focused on the environmental conditions needed to maintain site integrity provide a robust assessment that is in keeping with the spirit of the Habitats Directive. This has been the broad approach taken for almost all Regional Spatial Strategies and many HRAs for Local Development Frameworks.

2.4.7 Figure 2 below outlines the stages of HRA according to current draft CLG guidance. The stages are essentially iterative, being revisited as necessary in response to more detailed information, recommendations and any relevant changes to the plan until no significant adverse effects remain.

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2.4.8 Our methodology for undertaking the HRA / AA has reflected several key principles – see Table 5.
Table 5: Key principles that underpinned the HRA methodology

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Use existing information</td>
<td>We used existing information to inform the assessment. This included screening information already collated, including information gathered as part of the HRA of the 2006 RSS and information held by Natural England, the Environment Agency and others.</td>
</tr>
<tr>
<td>Consult with Natural England, the Environment Agency and other stakeholders</td>
<td>We ensured continued consultation with both Natural England and the Environment Agency for the duration of the assessment. We ensured that we utilised information held by them and others and take on board their comments on the assessment process and findings.</td>
</tr>
<tr>
<td>Ensure a proportionate assessment</td>
<td>Draft Government guidance makes it clear that when implementing HRA / AA of land-use plans, the assessment should be undertaken at a level of detail that is appropriate and proportional to the level of detail provided within the plan itself. In other words, there is a tacit acceptance that HRA / AA can be tiered and that all impacts are not necessarily appropriate for consideration to the same degree of detail at all tiers. With this in mind, the assessment focuses on information and impacts considered appropriate to the regional scale.</td>
</tr>
<tr>
<td>Keep the process as simple as possible</td>
<td>We have endeavoured to keep the process as simple as possible while ensuring an objective and rigorous assessment in compliance with the Habitats Directive and emerging best practice.</td>
</tr>
<tr>
<td>Explore innovative solutions</td>
<td>In attempting to resolve difficult problems, we have explored a wide range of innovative and creative solutions, working together with SEERA, the Secretary of State, key stakeholders and experts.</td>
</tr>
<tr>
<td>Employ the precautionary principle</td>
<td>The most robust and defensible approach to the absence of fine grain detail at this level is to make use of the precautionary principle. In other words, the plan is never given the benefit of the doubt; it must be assumed that an option / policy is likely to have an impact leading to a significant adverse effect upon a European site unless it can be clearly established that this is not the case.</td>
</tr>
<tr>
<td>Work in effective partnership</td>
<td>Throughout the HRA process and particularly in the early stages of that process for the draft RSS it has been important for us to work in partnership with key stakeholders including Natural England and the Environment Agency to ensure that the assessment builds on different ideas and has the necessary level of 'buy in'. This was primarily achieved through an extensive series of workshops undertaken for the HRA/AA of the draft RSS.</td>
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</table>
2.4.9 The HRA process used several innovative approaches, notably:

- Stakeholder workshops to discuss individual European sites and, later, cross-cutting issues. These were particularly helpful in identifying ‘in combination’ impacts and emerging issues, and in raising awareness of the AA process amongst local authority planners.

- A focus on the ecological requirements of the sites and how these affect the plan, rather than on identifying and analysing those limited parts of the plan that could affect European sites. The former approach is felt to give a more well-rounded view of the plan, and particularly to consider the plan’s indirect as well as direct impacts on European sites.

- A focus on cross-cutting issues (e.g. air quality, water resources) to help develop avoidance and mitigation measures.

2.4.10 In order to inform the development of a detailed methodology for undertaking the AA, we:

- identified and reviewed plan-level AAs that have been carried out in the UK and Europe;

- reviewed existing guidance on the scope of AA for strategic spatial plans; and

- contacted CLG, the other English Regional Planning Bodies (RPBs) and other key bodies (such as Natural England) and discussed their views and emerging experience on the application of AA to plans, and particularly regional plans.

2.4.11 In evaluating significance, we relied on our professional judgement as well as stakeholder consultation. The level of detail concerning developments that will be permitted under land use plans will never be sufficient to make a detailed quantification of adverse effects. Therefore, we have taken a precautionary approach (in the absence of more precise data) assuming as the default position that if an adverse effect cannot be confidently ruled out, avoidance or mitigation measures must be provided. This is in line with CLG guidance that the level of detail of the assessment, whilst meeting the relevant requirements of the Habitats Regulations, should be ‘appropriate’ to the level of plan or project that it addresses.

**Avoidance and mitigation**

2.4.12 This study has demonstrated that for assessment at a regional scale, it becomes more meaningful and in line with RSS guidance to propose region-wide avoidance/mitigation measures for those issues for which it cannot be demonstrated that there will be no adverse effects to the integrity of one or more sites as a result of ‘in combination’ effects, rather than specific policies for individual European sites. To a large extent, the application of these measures to individual sites must follow at a later date when more detailed information is available.
2.4.13 In the same way that the policies in the South East Plan address the principle of development of the region, it is the principle of avoidance/mitigation that is suggested in this report. The detail of the avoidance/mitigation measures required can properly only be defined at the stage at which the detail of the development is known. Indeed, it is to be hoped that with appropriate assessment of regional and local plans now being carried out, the detail of any proposals may be developed in the context of understanding the issues around the European sites, such that adverse effects may be avoided or mitigation measures be at the heart of the development, rather than ‘bolted on’, often less effectively, at a late stage.

2.4.14 A key emphasis at plan level HRA / AA is the enhanced possibility of ‘strategic avoidance/mitigation’ where a series of individual adverse effects (perhaps from several separate developments) can be better avoided or mitigated by a single, larger act or by a co-ordinated approach or indeed where such effects could be avoided by advanced mitigation. To-date, such a strategic approach has rarely been possible.
Table 6: Approach and principles to avoidance and mitigation measures

<table>
<thead>
<tr>
<th>What avoidance and mitigation measures are possible?</th>
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<tr>
<td><strong>Sequence of avoidance – mitigation – compensation</strong></td>
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<tr>
<td>PPS 9 <em>Biodiversity and Geological Conservation</em> specifies a hierarchy of first avoidance (Stage 1 screening) then mitigation (Stage 2 appropriate assessment), where: avoidance: prevent the identified impact on the integrity of European sites from happening in the first place mitigation: reduce adverse impacts on site integrity until such a time that they are no longer significant If a significant adverse impact cannot be ruled out, and there are no alternatives to the plan, then compensatory measures need to be put in place. The HRA / AA of the South East Plan has focused on avoidance and mitigation measures.</td>
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<thead>
<tr>
<th>Uncertainty and the precautionary principle</th>
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<tbody>
<tr>
<td>Due to the large scale and strategic nature of the South East Plan, many of its impacts on European sites are uncertain. Where this is the case, and in line with the requirements of the Habitats Regulations, the precautionary principle is applied</td>
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<table>
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<tr>
<th>Reducing risk, reducing magnitude</th>
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<tr>
<td>Impact avoidance and mitigation can be through reducing 1. the likelihood of the impact and/or 2. the scale of the impact.</td>
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<table>
<thead>
<tr>
<th>What avoidance and mitigation measures should/can be included in an RSS?</th>
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<tr>
<td><strong>Legal remit of RSS</strong></td>
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<tr>
<td>The RSS has only a limited remit: it is a spatial plan, at a regional level. It has at best a limited and indirect influence on non-planning issues, such as agriculture, and people’s behaviour.</td>
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<tr>
<th>Role of RSS</th>
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<tr>
<td>PPS11 <em>Regional Spatial Strategies</em> notes that the RSS should not duplicate national or local policies. As such, the avoidance/mitigation measures recommended in this report must be appropriate to the regional level. In order to guarantee the deliverability of possible mitigation measures, we have focused on measures within the RSS’s remit. However, where avoidance and/or mitigation measures must be considered through another forum or at a national or local level, recommendations are made. In many cases, the most obvious and effective avoidance/mitigation measures are outside the remit of the RSS. This is particularly the case with behavioural change: arguably behavioural change alone could obviate the need for the great majority of the avoidance/mitigation measures proposed in this report. The avoidance/mitigation measures proposed in this report do not obviate the need for AA at the local plan and project level; nor do they obviate the need for other avoidance/mitigation measures identified through these more local AAs.</td>
</tr>
</tbody>
</table>
Impact on areas that are not European sites

It is possible that some measures that protect European sites exacerbate pressures on other areas of biodiversity interest. For instance, measures to divert recreational pressures away from European sites could increase recreational pressures elsewhere. Where possible, mitigation measures should avoid such transference of impacts.

Other projects and plans

2.4.15 It is a requirement of HRA / AA that projects and plans are not evaluated in isolation but within the context of other plans or projects that may work together with the RSS to affect the European sites in question. When undertaking this part of the assessment it is essential to bear in mind the principal intention behind the legislation i.e. to ensure that those projects or plans which in themselves have minor impacts are not simply dismissed on that basis, but are evaluated for any cumulative contribution they may make to an overall significant effect.

2.4.16 Throughout the assessment process we have taken account of reasonably foreseeable impacts arising from other plans and projects in the region. In order to ensure the most thorough consideration of other projects and plans ‘in combination’, the search undertaken by ourselves was considerably supplemented by the extensive contributions made by local planning authorities and key stakeholders to the workshops in which other plans and projects were discussed in detail. In each case the impact of the following process was followed:

- The impacts of the RSS itself were identified;
- Other relevant plans and projects were identified through the workshop process and supplemented during the HRA/AA of the draft Proposed Changes;
- The impacts of these other plans and projects upon European sites were identified; and
- Consideration was given as to whether those impacts would operate in conjunction with the adverse impacts of the RSS and thus increase the probability of an overall significant adverse effect.

2.4.17 Neither the Habitats Directive nor CLG guidance explicitly defines how much mitigation a plan is responsible for with regard to an ‘in combination’ effect. However, in order for the system to be practically implementable and avoid a situation whereby the last project or plan to contribute becomes responsible for mitigating the impacts of all the other parties, it is reasonable that each plan only takes responsibility for mitigating its own contribution to the overall effect. This rationale is similar to the approach generally taken to cumulative impact assessment in Environmental Impact Assessment and means that the RSS can only be considered responsible for developing policy mechanisms/frameworks for avoiding or mitigating for its own contribution to ‘in
combination' effects, rather than for the adverse effect in its totality. In the case of the South East RSS, air quality was the only area in which the main effect of the RSS was cumulative when considered in combination with other projects and plans. For other impacts it was identified that the effects of the RSS itself would be heightened when considered in combination with other projects and plans but it was considered that the avoidance and mitigation measures that the RSS would need to deliver to address its own effects were sufficient to mitigate its contribution to the overall effect.

2.4.18 For example, with the Solent European sites the HRA/AA of the draft South East Plan identified that RSS housing levels would have adverse effects principally due to increased recreational pressure, coastal squeeze, deteriorating water quality and reduced water flows. As was detailed in the original HRA of the Draft RSS it was also identified that the effect of the RSS would be supplemented and exacerbated by that of a number of other projects/plans in the area and thus result in an overall greater adverse effect than any one element alone. However, the RSS contribution to the overall adverse effect was identified as still being from recreational pressure, coastal squeeze, deteriorating water quality and reduced water flows and therefore, provided that the RSS adequately addressed those issues, no extra mitigation was identified as being necessary.

The HRA/AA of the South East RSS from draft Plan to final RSS

2.4.19 The Appropriate Assessment of the South East Plan (like the development of the RSS itself) has been effectively undertaken in a series of discrete stages each of which builds upon but does not repeat the preceding stage. In addition, there has in some cases been a gap of several years between each stage of assessment. For these reasons, we have summarised the assessment process below in order that readers of this report are aware of the extent of work that the HRA/AA of the final RSS builds upon.

Draft South East Plan (2006)

2.4.20 The detailed methodology for the HRA/AA of the draft South East Plan is explained in detail within the associated reports as is the approach to ‘in combination’ assessment8.

2.4.21 The Appropriate Assessment of the draft South East Plan thoroughly explored the adverse effects of the draft RSS (both alone and in combination with other plans and projects) on all European sites within the South East. The principal mechanism for ensuring that impacts on European sites were explored thoroughly was a series of one day workshops undertaken across the South East (generally on the basis of one per county) which were attended by representatives of Natural England, Environment Agency, RSPB, Wildlife Trusts, local authorities and other interested parties and at which the impacts of the RSS (both alone and in combination) upon all European sites within the county were discussed and debated at length.

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2.4.22 As a result of these workshops it became clear that one could categorise the adverse effects of the RSS (both alone and in combination with other projects and plans) into a series of ‘themes’ – impacts and effects that occurred repeatedly across a wide range of European sites. These themes were:

- excessive recreational pressure
- other effects of increasing urbanisation (e.g. increased incidence of fires and numbers of cats predating vulnerable chicks within certain Special Protection Areas);
- deterioration in water quality;
- increased abstraction leading to a decline in water levels and freshwater inputs to hydrologically sensitive European sites;
- deterioration in air quality (both local and diffuse);
- increased ‘coastal squeeze’ of some sites; and
- loss of important supporting habitat outside the boundary of the European site, for several European sites that were designated for highly mobile species.

2.4.23 The report discussed these impacts in detail and the European sites that would be most severely affected. Volume 2 to the report also listed each European site within and surrounding the South East (or which was connected to development in the South East via a particular pathway) and set out the impacts of the RSS upon that site and the other plans and projects that could exacerbate the effects of those impacts.

2.4.24 Having identified and discussed the impacts and effects of the draft RSS in detail, the Appropriate Assessment then set out a series of avoidance and mitigation measures that the draft RSS could and should incorporate in order to ensure that a sufficient framework existed to enable the development to be delivered while at the same time enabling local authorities to avoid or mitigate adverse effects upon European sites. These measures were all subject to considerable discussion, debate, modification and agreement with the project steering group, which included representatives of Natural England and the Environment Agency.

2.4.25 Ultimately, at the Examination in Public (EiP) of the draft RSS in 2007, the Appropriate Assessment was judged to be ‘fit for purpose’ by the EiP Panel. The Appropriate Assessment of the draft South East Plan is available in two volumes from the website of the South East England Regional Assembly (SEERA) and its conclusions and recommendations form the basis for the subsequent assessments of the draft Proposed Changes and the final RSS.
Secretary of State’s draft Proposed Changes (2008)

2.4.26 The draft RSS was subject to revision during 2007/2008 in order to incorporate many of the EiP Panel Report recommendations (a number of which were driven by the conclusions and recommendations of the Appropriate Assessment) and in order to reflect the changing situation since the draft RSS was produced in 2006. In this case, we are building upon extensive work carried out for the 2006 Draft South East Plan such that the ‘screening’ exercise can in effect be assumed to have been undertaken already in those earlier stages.

2.4.27 Since the Appropriate Assessment of the draft RSS had been judged ‘fit for purpose’, the thematic structure of that report was also adopted for the assessment of the draft Proposed Changes and the assessment of the draft Proposed Changes deliberately sought to avoid repeating work that had been undertaken for that earlier report. Changes as part of the Proposed Changes should be taken as building on and modifying the Draft South East Plan and the associated Appropriate Assessment should be taken as doing the same with the 2006 Appropriate Assessment.

2.4.28 As such, the Appropriate Assessment of the draft Proposed Changes did not reappraise the RSS in its entirety but focussed upon the implications for the continuing validity of our previous conclusions and recommendations of those parts that had been changed since the draft RSS. The purpose of this stage is in practice was therefore to address the question: ‘Are the changes sufficiently great as to render inadequate the mitigation measures identified in the Appropriate Assessment of the 2006 Draft South East Plan?’

2.4.29 For the purposes of this assessment, we determined that, due to the nature of the identified impacts, the key other plans and projects relate to the additional housing and infrastructure proposed for the South East over the lifetime of the plan, as set out in the following key sources:

- Eco-Towns Policy Statement - as yet it is undecided exactly which developments will be adopted as Eco-Towns, but three such proposals currently exist in the South East: Bordon-Whitehill (which forms part of the South East Plan), Ford and Weston Otmoor (see Appendix 1);
- Existing wastewater discharge consents and freshwater abstraction licences as appraised by the Environment Agency’s Review of Consents process and associated reports;
- Housing allocations within LDF Core Strategies that are above the minimum levels set out in the Draft Proposed Changes;
- The airport expansions (including Gatwick and Heathrow – despite the latter not being in the South East) in line with the Aviation White Paper and Civil Aviation Act;
- Regional Spatial Strategies for the surrounding regions – the South West, East of England, London and East Midlands;
• The South East Regional Economic Strategy;
• Urban Wastewater Directive;
• Environmental Liabilities Directive; and
• Water Framework Directive.

2.4.30 In addition, reference was made to other documents where relevant. These included:

• County Minerals Development Frameworks;
• Shoreline Management Plans;
• Coastal Habitat Management Plans; and
• Catchment Abstraction Management Strategies.

2.4.31 These interactions and in combination effects have been factored into the evaluation of the impacts of the RSS and the effectiveness of mitigation measures throughout the HRA / AA process.

**The Final South East Plan (2009)**

2.4.32 The Proposed Changes were subject to public consultation during autumn 2008. As a result of this consultation exercise and subsequent discussions involving Government Office for the South East, Communities and Local Government, Defra, Natural England and the Environment Agency, several further changes have been made for the final RSS.

2.4.33 Some of these changes reverse amendments made during the draft Proposed Changes in recognition of consultation responses (in particular with regard to deletion of the phrase ‘at least’ that was associated with the housing figures to be delivered under Policy H1). Others make new alterations to text that had been left unaltered by the draft Proposed Changes. Much of the RSS remains largely unchanged since the draft South East Plan. However, since further alterations have been made to some policy and supporting text, these changes clearly need to be assessed in order to determine whether they are likely to alter the previously identified impacts and effects of the RSS upon European sites or generate any requirement for additional mitigation/avoidance measures.

2.4.34 In addition, since this is the final iteration of the RSS it is essential to audit the process by which recommendations stemming from the various stages of Appropriate Assessment have been taken into account in order to determine:

• Whether there remain outstanding recommendations that have not been adopted;
• If so, whether the amendments made to the final RSS provide an alternative solution to the issues which generated those recommendations, such that the recommendations are now redundant; and

• Whether the changes to the final RSS generate the need for any new recommendations (by rendering the previous recommendations inadequate).

2.4.35 Since the purpose of this final appraisal is much more closely focussed on a small number of amendments than previous versions, the ‘thematic’ approach to structuring the assessment is not considered appropriate or necessary. Since a relatively small number of changes are involved and these supplement or amend the draft Proposed Changes it is considered appropriate that the evaluation of the final changes made to produce the final RSS are covered in the following discrete chapter.

2.4.36 In order to follow the entire assessment process from draft RSS through draft Proposed Changes to Final RSS, it is essential to consider all three stages of Appropriate Assessment discussed above together as a single process, since each succeeding stage builds upon, but does not repeat, the preceding stage.
3 Housing options

3.1 Introduction

3.1.1 The Panel Report acknowledged that “The scale of housing growth proposed was the single most controversial issue within the representations to the draft Plan”. In developing the Proposed Changes, the Secretary of State proposed two options in relation to housing provision and this section explores the sustainability implications of those choices. Following consultation on the Proposed Changes, further revisions to the housing numbers have been made and these are also explored here. The implications of increased housing provision for particular receptors (air, biodiversity, water etc.) are further explored in Chapters 4 – 14.

3.2 What’s the policy context?

3.2.1 The SA of the Draft South East Plan included a full analysis of the policy context in which the Plan was prepared, i.e. the policies, plans, programmes, strategies and initiatives with a bearing on the content of the Plan. However, since the submission of the Draft Plan in March 2006, the policy context has evolved significantly with respect to certain issues, particularly housing provision.

Affordable Rural Housing Commission (May 2006)

3.2.2 The Affordable Rural Housing Commission was established in July 2005 to inquire into the scale, nature and implications of the shortage of affordable housing for rural communities in England and make recommendations to help address unmet need. The Commission’s Final Report was published in May 2006 and recommended that, England-wide, 11,000 units of affordable housing should be provided per year in settlements below 10,000 population9. Furthermore, the Commission emphasised that this should be a starting point, not a one-off target. In terms of distribution, the Commission argued that some of this additional housing should go in villages while a larger proportion will be needed in rural towns, including market towns. The report cited concerns that RSSs are not providing sufficient housing numbers to meet rural needs and that this is, to a large extent, due to the weighting given to urban regeneration and minimising the use of the car.

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Regional Economic Strategy (October 2006)

3.2.3 The Regional Economic Strategy 2006-2016: A Framework for Sustainable Prosperity was published by the South East England Development Agency (SEEDA) in October 2006\(^\text{10}\). The RES identifies three key challenges for the region:

- The **Global Challenge** of maintaining competitiveness in the face of intensifying international competition
- **Smart Growth** through higher productivity and bringing more of the resident South East population into economic growth, thus maintaining higher levels of prosperity per head across the South East without increasing the region’s ecological footprint
- **Achievement of Sustainable Prosperity** by recognising that long-term regional economic prosperity can only be secured through the principles of sustainable development

3.2.4 In relation to housing provision, the RES notes that the region is characterised by high demand and inelastic supply. Average house prices in the region have risen by 70% since 1999 while average annual earnings have risen by 30%, and first time buyers accounted for just 18% of house purchases in 2003, compared with 48% in 1993. In terms of the location of new development, the RES argues that “Given the sustainability argument that housing growth should be closely allied to employment growth, it makes sense that the existing centres of economic activity should provide a focus for accommodating sustainable growth supported by appropriate and timely investment in infrastructure”. The RES identifies eight major concentrations of economic growth potential – so-called **Diamonds for Investment and Growth** – that have the potential to act as a catalyst to stimulate prosperity across wider areas: Basingstoke; Brighton and Hove; Gatwick; Milton Keynes and Aylesbury Vale; Oxford / Central Oxfordshire; Reading; Thames Gateway Kent (including Medway and Ebbsfleet); and Urban South Hampshire (including Portsmouth and Southampton) (see Figure 3 from the RES).

Planning Policy Statement 3: Housing (November 2006)

3.2.5 The Government’s key housing policy goal, as set out in Planning Policy Statement 3: Housing (PPS3)\(^\text{11}\) is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. In particular, the planning system should deliver a “sufficient quantity of housing taking into account need and demand and seeking to improve choice”. In determining levels of housing provision, PPS3 stresses that Regional Planning Bodies (RPBs) should take into account evidence of current and future levels of need and demand for housing including the Government’s latest published housing projections, as well as affordability levels. At the regional level, PPS3 emphasises that RSSs should identify broad strategic locations for new housing developments so that the need and demand for housing can be addressed in a way that reflects sustainable development principles. In selecting broad locations for development, RPBs should take into account the contribution to be made to cutting carbon emissions from focusing new development on locations with good public transport accessibility and / or by means other than the private car.

Building a Greener Future (December 2006)

3.2.6 In December 2006, the Government published for consultation Building a Greener Future: Towards Zero Carbon Development\(^{12}\), to seek views on the Government’s proposals to reduce the carbon footprint of new housing development. The document set out the Government’s view on the importance of moving towards zero carbon in new housing, and explored the relationship between the planning system, the Code for Sustainable Homes and the Building Regulations in delivering this ambition. The document also proposed a timetable for revising the Building Regulations in order to reach zero carbon development in all new housing in England and Wales by 2016 – see Table 7.

Table 7: Proposed timetable for improved energy / carbon performance of building regulations

<table>
<thead>
<tr>
<th>Date</th>
<th>2010</th>
<th>2013</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy/carbon improvement as compared to Part L (Building Regulations 2006)</td>
<td>25%</td>
<td>44%</td>
<td>Zero carbon</td>
</tr>
<tr>
<td>Equivalent energy/carbon standard in the Code</td>
<td>Code level 3</td>
<td>Code level 4</td>
<td>Code level 6</td>
</tr>
</tbody>
</table>

3.2.7 The Government’s response to the key issues raised in the consultation paper, Building a Greener Future: Policy Statement\(^{13}\), published in July 2007, confirmed the Government’s intention for all new homes to be zero carbon by 2016. Zero carbon is defined as meaning that, over a year, the net carbon emissions from all energy use in the home would be zero.

Code for Sustainable Homes (December 2006)

3.2.8 The Code for Sustainable Homes – a new national standard for the sustainable design and construction of new homes – was launched in December 2006. Since April 2007, the developer of any new home in England can choose to be assessed against the Code, which measures the sustainability of a new home in relation to various categories of sustainable design. The Code rates the home as a whole using a 1 to 6 star rating


system and sets minimum standards for energy and water use at each level. In November 2007, the Government confirmed that all new homes would have mandatory ratings against the Code, and in February 2008 confirmed that this would be effective from 1 May 2008. The aim of the Code is to improve the overall sustainability of new homes by setting a single national standard within which the house building industry can design and construct homes to higher environmental standards. It also offers a tool for developers to differentiate themselves within the market, and gives new homebuyers better information about the environmental impact of their new home and its potential running costs. The Code measures the sustainability of a home against nine design categories, each of which includes a number of environmental issues which can be assessed against a performance target representing good or best practice, and awarded one or more credits: energy and CO₂ emissions; water; materials; surface water run-off; waste; pollution; health and wellbeing; management; and ecology.

**Housing Green Paper (July 2007)**

3.2.9 The 2007 **Housing Green Paper**, *Homes for the future: more affordable, more sustainable*¹⁴, identified three key challenges in relation to housing: demand for homes to buy or rent is growing faster than supply; as house prices have grown faster than wages, it is becoming increasingly difficult for young people to get a step on the housing ladder; and climate changes means that we need to provide greener, better-designed housing for the future. In light of this, the Green Paper commits the Government to working with partners to provide:

- more homes to meet growing demand;
- well-designed and greener homes, linked to good schools, transport and healthcare; and
- more affordable homes to buy or rent.

3.2.10 In terms of providing more homes, the Green Paper sets a target of delivering 240,000 additional homes a year by 2016 to meet growing demand and address affordability issues. The level of housing supply is assumed to increase over time towards this target, delivering approximately two million new homes by 2016 and, assuming the target is maintained, an additional million new homes by 2020, making three million in total.

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Panel Report (August 2007)

3.2.11 The Independent Panel conducting the EiP argued that, in proposing a total of 28,900 dpa, too little weight had been given to demographic and economic factors and consequently the Panel Report\(^{15}\) recommended that provision should be made for 32,000\(^{16}\) dpa. However, the Panel argued that this figure was right at the bottom end of what their analysis suggested was necessary and, even at that level, would still be below the Government’s latest household projections.

3.2.12 The Draft South East Plan’s housing policies were set within an overall objective of planning positively for a ‘reasonable’ level of housing development with stronger encouragement for a ‘substantial’ increase in affordable housing. However, the Panel argued that to set a figure of 28,900 dpa, while at the same time seeking to increase the proportion of affordable housing in new development, implied a reduction in market housing compared to previous plan levels. Moreover, in reality, this decrease in market housing would be greater when compared against current delivery rates of just over 33,000. The Panel construed that a constraint on market housing of this magnitude would suggest, on common sense grounds if nothing else, that affordability would worsen under the Draft South East Plan. Having said this, overall, the Panel concluded that “We cannot say whether there would be any discernible benefit at the regional level on affordability from our recommended increase in housing levels”.

3.2.13 The Panel acknowledged that, in order to achieve its recommended figure of 32,000 dpa, it was “inevitable that new greenfield land will have to be found” and the Panel Report went on to argue that the “most sustainable solutions in some sub-regions will be for this new land to be found through a selective Green Belt release”. Overall, the Panel acknowledged that “the sustainability of increased levels of growth will depend in large part on the success of demand management measures for modal shift in transport and of measures to reduce consumption of natural resources in general”.

3.2.14 In terms of the spatial distribution of this additional housing, the Panel Report recommended that three areas accommodate the largest increases - the London Fringe, the Western Corridor Blackwater Valley (WCBV) and Central Oxfordshire, all areas where the Panel felt that insufficient weight had been given to economic factors and, in the case of the London Fringe and WCBV, demographic factors (see Table 8).

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\(^{15}\) Available at: [http://www.go-se.gov.uk/gose/planning/regionalPlanning/southEastPlan/?a=42496](http://www.go-se.gov.uk/gose/planning/regionalPlanning/southEastPlan/?a=42496).

\(^{16}\) According to GOSE, 260 dpa are actually within the Milton Keynes-South Midlands area and within the East of England region.
Table 8: Sub-regional allocation of additional housing under the Panel Report

<table>
<thead>
<tr>
<th>Sub-region</th>
<th>Draft South East Plan</th>
<th>Panel Report</th>
<th>Panel's rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Hampshire</td>
<td>80,000 (4,000 dpa)</td>
<td>No change</td>
<td>An increase in housing provision could increase out-commuting and introduce unacceptable risk in relation to meeting Habitats Directive requirements and avoiding flood risk.</td>
</tr>
<tr>
<td>Sussex Coast</td>
<td>54,000 (2,700 dpa)</td>
<td>59,400 (270 additional dpa)</td>
<td>The proposed level of provision is on the low side in terms of regional needs but the scope to increase levels is limited to avoid prejudicing sustainable economic regeneration and to avoid additional out-commuting.</td>
</tr>
<tr>
<td>East Kent and Ashford</td>
<td>48,000 (2,400 dpa)</td>
<td>53,000 (250 additional dpa)</td>
<td>The proposed level of provision is too low and insufficient weight has been given to transport infrastructure, particularly the transformational effect of domestic services on the Channel Tunnel Rail Link (CTRL) and the fact that this is the least stressed part of the region in terms of the strategic highway network.</td>
</tr>
<tr>
<td>Kent Thames Gateway</td>
<td>48,000 (2,400 dpa)</td>
<td>49,000 (50 additional dpa)</td>
<td>Significant increases in housing provision would result in greater use of greenfield sites, a risk of increased levels of out-commuting and unacceptable risks in terms of flooding.</td>
</tr>
<tr>
<td>London Fringe</td>
<td>37,360 (1,868 dpa)</td>
<td>46,120 (438 additional dpa)</td>
<td>The proposed level of provision is significantly too low because demographic and economic factors have been given insufficient weight, while too much weight has been given to estimates of urban potential and avoiding any adjustments to the Green Belt.</td>
</tr>
<tr>
<td>Western Corridor Blackwater Valley</td>
<td>89,250 (4,476 dpa)</td>
<td>107,600 (904 additional dpa)</td>
<td>The proposed level of provision is significantly too low because economic and demographic factors have been given insufficient weight, while too much weight has been given to avoiding greenfield development including any adjustments to the Green Belt.</td>
</tr>
<tr>
<td>Milton Keynes and Aylesbury Vale</td>
<td>70,000 (3,500 dpa)</td>
<td>73,800 (190 additional dpa)</td>
<td>Any significant increases would risk increasing levels out-commuting particularly from Aylesbury.</td>
</tr>
</tbody>
</table>

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17 The Panel Report also argued that the Thames Basin Health part of the region should accommodate additional housing growth taking into account economic and demographic drivers within the London Fringe and the Western Corridor Blackwater Valley.
### 3.2.15 The Panel also proposed a revised district-by-district housing apportionment, which directed additional housing to the more economically buoyant parts of the region as well as several Strategic Development Areas (SDAs). The Panel Report emphasised that these district figures were not be treated as ceilings and that local authorities should not attempt to ration planning permissions to avoid outperforming their allocations. Following on from this, the Panel saw no impediment to accommodating higher numbers of new homes at identified brownfield opportunity areas if this was later found to be feasible (e.g. Shoreham Harbour and Bordon-Whitehill).

**Planning and climate change (December 2007)**

3.2.16 In December 2007, the Government published *Planning Policy Statement: Planning and Climate Change – Supplement to Planning Policy Statement 1*


<table>
<thead>
<tr>
<th>Sub-region</th>
<th>Draft South East Plan</th>
<th>Panel Report</th>
<th>Panel’s rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Central Oxfordshire</strong></td>
<td>34,000 (1,700 dpa)</td>
<td>40,100 (305 additional dpa)</td>
<td>The proposed level of provision is significantly too low because economic factors have been given insufficient weight, while too much weight has been given to the setting of Oxford and the Green Belt.</td>
</tr>
<tr>
<td><strong>Gatwick Area</strong></td>
<td>33,000 (1,650 dpa)</td>
<td>34,500 (75 additional dpa)</td>
<td>The proposed level of provision is marginally too low in terms of regional needs.</td>
</tr>
<tr>
<td><strong>Rest of County Areas and Isle of Wight</strong></td>
<td>84,200 (4,210 dpa)</td>
<td>96,580 (619 additional dpa)</td>
<td>Consider that there is a case for the majority of these areas to accommodate an uplift in housing levels to reflect regional needs.</td>
</tr>
</tbody>
</table>
Eco-towns (April 2008)

3.2.17 Alongside the Housing Green Paper, the Government published a prospectus setting out the vision and outline criteria for eco-towns\(^\text{19}\). The launch of the prospectus was accompanied by an invitation for local authorities and other stakeholders to respond with their views on potential sites. According to the Government, eco-towns will be new towns which are exemplar green developments of up to 20,000 homes. It is anticipated that there will be up to five eco-towns by 2016 and ten by 2020. They will be designed to meet the highest standards of sustainability, including low and zero carbon technologies and good public transport\(^\text{20}\).

3.2.18 In April 2008, the Government published for consultation Eco-towns: Living a greener future which included a shortlist of 15 potential eco-town locations\(^\text{21}\). Three of these are in the South East and, together, could potentially provide up to 28,000 new homes (a final list is due to be published later in 2009):

- Bordon-Whitehill, Hampshire: 5,500 homes on a site owned by the Ministry of Defence
- Weston Otmoor, Oxfordshire: 10-15,000 homes on a site adjoining the M40 and the Oxford-Bicester railway
- Ford, West Sussex: 5,000 homes on a site which includes brownfield land and the former Ford airfield.

3.2.19 For further details see Appendix 1. New dwellings potentially provided through Eco-towns at Weston Otmoor and Ford were not taken into account in the Secretary of State’s options for housing provision (see below). However, the site at Bordon-Whitehill was promoted by the Panel and has the support of East Hampshire District Council. The Proposed Changes indicated that if Bordon-Whitehill is not taken forward as an Eco-town, the rest of East Hampshire will not have to accommodate the equivalent number of new homes.

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\(^{20}\) For further information on eco-towns see [http://www.communities.gov.uk/housing/housingsupply/growthareas/ecotowns/facecotowns/](http://www.communities.gov.uk/housing/housingsupply/growthareas/ecotowns/facecotowns/)

3.2.20 In October 2007, the National Housing and Planning Advice Unit (NHPAU) published its response to the Housing Green Paper and concluded that, all other things being equal, current RSSs would lead to worsening affordability prospects. The report also concluded that the most efficient way to stabilise affordability was through significantly increasing the proportion of new homes delivered by the southern regions but acknowledged that this would be highly contentious.

3.2.21 In June 2008, the NHPAU published advice on the housing supply range (the ‘bookends’) to be tested, as early as possible, through the regional planning process. For the South East, the NHPAU proposed a range of 37,800 - 49,700 average annual net additions to 2026 – see Table 9. In the South East, the report states that, “a level of supply up to 49,700 would be required to stabilise affordability, and as a result the region would have addressed the backlog in constrained demand, and allowed for growth in second homes and vacancies”.

Table 9: NHPAU recommended regional housing supply ranges 2008 - 2026

<table>
<thead>
<tr>
<th>Region</th>
<th>BOTTOM OF THE PROPOSED HOUSING SUPPLY RANGE</th>
<th>UPPER END OF THE PROPOSED HOUSING SUPPLY RANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average annual net additions to 2026</td>
<td>Minimum delivery point by 2016</td>
</tr>
<tr>
<td>North East</td>
<td>6,700</td>
<td>6,600</td>
</tr>
<tr>
<td>North West</td>
<td>26,600</td>
<td>27,600</td>
</tr>
<tr>
<td>Yorkshire &amp; Humber</td>
<td>23,800</td>
<td>25,100</td>
</tr>
<tr>
<td>East Midlands</td>
<td>23,400</td>
<td>23,700</td>
</tr>
<tr>
<td>West Midlands</td>
<td>19,000</td>
<td>19,800</td>
</tr>
<tr>
<td>East of England</td>
<td>30,600</td>
<td>32,100</td>
</tr>
<tr>
<td>London</td>
<td>33,000</td>
<td>35,500</td>
</tr>
<tr>
<td>South East</td>
<td>37,800</td>
<td>38,700</td>
</tr>
<tr>
<td>South West</td>
<td>29,800</td>
<td>31,000</td>
</tr>
<tr>
<td>England</td>
<td>231,500</td>
<td>240,100</td>
</tr>
</tbody>
</table>


3.3 What are the key sustainability objectives we need to consider?

3.3.1 The IRF sets out 25 sustainable development objectives for the region (see Table 4), the majority of which are relevant to the issue of housing provision. In particular, objective 1 is “To ensure that everyone has the opportunity to live in a decent, sustainably constructed and affordable home suitable to their need”.

3.4 What’s the situation now?

3.4.1 The SA of the Draft South East Plan included a full analysis of the baseline situation in the region including the various sustainability problems it faces. However, since the submission of the Draft Plan in March 2006, new evidence has emerged, particularly in relation to housing provision. Some of this new evidence is set out above (e.g. the NHPAU research). In particular Roger Tym & Partners, in association with Land Use Consultants, were commissioned by the Government to augment the evidence base for the EiP of the Draft South East Plan. The specific purpose of the study – the ‘Roger Tym Report’ - was to develop and appraise alternative options for accommodating housing and associated growth, additional to the amount proposed in the Draft South East Plan (28,900 dpa).

3.4.2 In terms of baseline information, the Roger Tym Report highlighted that:

- Based on long-term migration patterns (1991-2001), the region would need to accommodate 31,300 dpa, while short-term migration patterns (1996-2001) indicate a need to accommodate 35,500 dpa
- The region has an estimated backlog of 29,000 households (in bed and breakfast and concealed / sharing households); if the backlog were to be cleared over the period (2006 – 26), an additional 1,450 dpa would be required
- Experian Business Strategies (ESB) forecast an employment increase of 654,000 jobs between 2006-26 (thus requiring an increase in the labour supply of 654,000 assuming no change in the level of net out-commuting)

3.4.3 New household projections published just before the close of the EiP indicated that 34,500 additional households per annum will emerge in the South East between 2006-26. Revised projections since then indicate a figure of 35,900 households per annum.

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3.4.4 The latest household projections (March 2009) indicate that the South East region has the largest absolute increase in households of **39,000 per year** from 2006 to 2031, a 28 per cent rise from the 2006 level\(^\text{25}\).

3.4.5 Additional baseline information on the current state of the region is set out in the Regional Assembly’s 2007 Annual Monitoring Report (AMR)\(^\text{26}\). The main concerns highlighted in the report include:

- **Air pollution** – hotter, drier summers predicted as a consequence of climate change could result in an increase in days of moderate or high air pollution at rural sites, unless the primary pollutants from which ozone forms are reduced.

- **Socio-economic disparities** – the disparity in economic performance across the region remains significant and of concern, not least the continued differences between the generally more affluent north and west parts of the region as opposed to the less economically successful south and east of the region.

- **Affordable housing** – the ratio of average income to average house prices shows the difficulties with housing affordability and despite rapid increases in housing delivery in recent years, affordability continues to worsen. Completions of affordable homes are running at some 30% below the rates set out in the Draft South East Plan. According to the report, a continuation of the current tenure split will not address identified needs: the region should be providing more social rented homes and fewer in intermediate tenures.

- **Biodiversity** – while the national farmland bird indicator shows a broad stabilisation of populations since the early 1990s, the South East indicator is still showing declines. On the basis of the recent trend it appears unlikely that the region will achieve the Public Service Agreement target of 95% of Sites of Special Scientific Interest in favourable condition by 2010.

- **Transport** – the overall distance travelled per person per year continues to increase.

- **Flooding** – climate change may exacerbate flooding as probability and severity increase. This highlights the need for investment in flood and coastal defences in certain parts of the region, for example South Hampshire. Conversely, climate change may also alter the frequency and severity of future droughts in a region where pressure on water resources is already high.

- **Waste exported from London** – London continues to export large amounts of waste to the South East and other regions for disposal. There is a need for alternative management capacity, minimising waste generation in the first place and

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reducing imports from London. The region’s landfills are filling up and have only between six and eight years’ capacity.

3.4.6 Some other key trends set out in the report are summarised in Table 10.

Table 10: Some other key trends highlighted in the 2007 AMR

<table>
<thead>
<tr>
<th>Indicator / topic</th>
<th>Latest data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of people who are satisfied with their local area as a place to live</td>
<td>2006: 88%</td>
</tr>
<tr>
<td>Urban renaissance and concentrating development</td>
<td>Levels of completions on previously developed land continuing to exceed RPG9 targets; concerns about whether this can be sustained in the medium to longer term since the supply of land available, in particular derelict and vacant land within urban areas appears to be decreasing. In 2006/07, 74% of housing completions occurred within urban areas (25,000 homes) Including the urban periphery, 85% of housing completions were in urban areas (28,900 homes).</td>
</tr>
<tr>
<td>Rural communities</td>
<td>From the information that is available, a generally good picture emerges in relation to access to services for households in rural areas, with access to schools, doctors’ surgeries and cashpoints being the same or better now than in 2000.</td>
</tr>
<tr>
<td>Areas of international and national importance for nature conservation, landscape and cultural value</td>
<td>Housing developments in nature conservation areas, AONBs and National Parks have increased in five counties (Berkshire, Buckinghamshire, Isle of Wight, Surrey and West Sussex).</td>
</tr>
<tr>
<td>Economic distribution</td>
<td>There has been no discernable reduction in levels of deprivation across the region, according to the Index of Multiple Deprivation (IMD). The latest IMD figures show an increase in deprivation levels of 0.5% of the population since 2004, and this deprivation remains largely concentrated along the coast and in the larger urban areas.</td>
</tr>
<tr>
<td>Amount and mode of travel</td>
<td>84.5% of distance travelled per person annually remains by car and other private-modes.</td>
</tr>
</tbody>
</table>
3.5  What will be the situation without the plan?

3.5.1 Regional Planning Guidance for the South East (RPG9) covers the period up to 2016 and includes an interim requirement for the delivery of **28,050 dpa** between 2001-06. Actual housing delivery rates have been increasing in recent years with an average of 28,800 homes per annum being delivered between 2001 and 2006. However, whether or not higher delivery rates could be sustained in the absence of higher requirements as set out in formal regional policy is uncertain (notwithstanding the current downturn).

3.5.2 Forecasting future trends is fraught with difficulty and uncertainty. However, on the basis of RPG9 and current trends, the situation without the plan with regards to housing provision is likely to be as follows:

- Housing delivery rates would continue to be significantly below those required to accommodate the forecast increase in the number of households (and certainly for the next couple of years in light of the current economic climate)
- Completions of affordable homes would continue to run significantly below the rates set out in the Draft South East Plan.
- Housing developments in or near nature conservation areas, AONBs and National Parks would continue to increase (see Table 10)
- Levels of housing completions on previously developed land would remain high in the short-term but would begin to fall off in the medium- to longer-term as the supply of land in urban areas declined

3.5.3 The situation without the plan with regards to certain other key issues is likely to be as follows:

- There would continue to be no discernable reduction in levels of deprivation across the region and this deprivation would remain largely concentrated along the coast and in the larger urban areas (see Table 10)

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28 Policy H1 in RPG9 required that this interim level be reviewed before 2006. Subsequently, the result of two partial reviews on the Growth Areas of Milton Keynes and Aylesbury Vale and Ashford took the implied regional housing level up to 29,550 dpa.


30 Note that in 2006/07, a total of almost 34,600 homes were provided although it is unclear whether or not this represents a step change in delivery.

31 According to the 2007 AMR, there were just over 7,100 net affordable housing completions in 2006/07, accounting for just over 20% of all new homes.
Travel is likely to remain predominantly by car and other private-modes (notwithstanding schemes such as Crossrail and domestic services on the Channel Tunnel Rail Link) (see Table 10)

There could be an increase in days of moderate or high air pollution at rural sites in the region

3.6 What would have been the situation under the Draft South East Plan?

3.6.1 The Draft South East Plan proposed a total of 28,900 new dwellings per annum over the plan period (2006 – 26). In relation to housing provision, the SA of the Draft South East Plan concluded that, “In general terms, current housing development rates are not sufficient to meet housing needs and pressure on the housing market within many parts of the region is increasing. The Preferred Spatial Strategy [based on 28,900 dpa] would provide a level of growth that would be less effective at dealing with issues of backlog than higher growth rates”. Furthermore, “The preferred option is likely to be less effective than higher rates of housing provision in reducing pressure on the housing market, and ensuring affordable housing or accommodation for the homeless”.

3.6.2 However, the SA highlighted the tension between satisfying housing objectives and other objectives relating to the environment and natural resources:

“The higher growth options (i.e. those which proposed a housing growth rate of 32,000/year) were more likely to meet housing demands (and therefore ease problems of affordability) and provide for higher rates of economic growth, but would place more pressure on environmental resources, in particular transport infrastructure, water resources, land use, waste arisings, climate change etc.”

3.7 What would have been the situation under the Proposed Changes?

3.7.1 In developing the Proposed Changes, the Secretary of proposed two options in relation to the level and distribution of housing provision – see Box 2.

Box 2: Scale, delivery and distribution options for new housing

<table>
<thead>
<tr>
<th>Option 1</th>
<th>32,000 dpa based on the Panel’s proposed district-by-district housing apportionment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 2</td>
<td>33,125 dpa based on the Secretary of State’s proposed district-by-district housing apportionment</td>
</tr>
</tbody>
</table>
3.8 Which is the most sustainable option?

3.8.1 This section considers which of the two options is most appropriate from a sustainability perspective in terms of the overall scale of provision. This section does not consider the specific allocations made in either the Panel or the Secretary of State’s proposed district-by-district apportionments. Concerns we have in relation to development in certain sub-regions and / or districts are explored in the topic-based chapters that follow.

3.8.2 The progressive increase in the scale of provision from the Draft South East Plan to Options 1 and 2 is summarised in Table 11 together with the average current rate of housing delivery in the South East.

<table>
<thead>
<tr>
<th>Plan iteration</th>
<th>Dwellings per annum</th>
<th>Total new dwellings over the plan period (2006 – 2026)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RPG9</td>
<td>28,050 (2001 – 06)</td>
<td></td>
</tr>
<tr>
<td>Draft South East Plan</td>
<td>28,900</td>
<td>578,080</td>
</tr>
<tr>
<td>Option 1 – Panel Report’s district-by-district apportionment</td>
<td>32,000</td>
<td>640,171</td>
</tr>
<tr>
<td>Options 2 – Secretary of State’s district-by-district apportionment</td>
<td>33,125</td>
<td>662,500</td>
</tr>
<tr>
<td>Actual housing delivery rate 2001 – 06</td>
<td>28,800</td>
<td>576,000 (extrapolated)</td>
</tr>
</tbody>
</table>

Table 11: Scale of housing provision in the South East

---

32 RPG9 (March 2001) sets out a regional housing provision of 28,050 dwellings per year for the South East. However, RPG9 indicated that this level of provision applies to the period between 2001 and 2006 and required it to be reviewed before 2006, in the light of monitoring and the findings of the urban capacity studies and studies of potential growth areas. It also stated that a higher rate of provision is likely to be necessary to meet the long term needs in the region and the review would be expected to lead to an increase of about 10 percent. The Government’s Sustainable Communities Plan (February 2003) called for additional 200,000 dwellings in Growth Areas in the South by 2016 and the subsequent partial reviews of Milton Keynes and Aylesbury Vale, and Ashford, took the implied regional housing level up to about 29,500 dpa.


34 Note that In 2006/07, a total of almost 34,600 homes were provided although it is unclear whether or not this represents a step change in delivery.
3.8.3 Although the Panel recommended a figure of 32,000 dpa, they argued that this figure was right at the bottom end of what their analysis suggested was necessary and, even at that level, would still be below the Government’s latest household projections. The Secretary of State is of the view that a strategic housing provision that is at the bottom end of what the analysis of strategic factors would suggest does not meet the requirements of the PPS3, the vision and the priorities set out in the Housing Green Paper or the identified long term needs of the South East. Overall, the Secretary of State is of the view that the consideration of best available evidence supports an overall regional provision significantly above the level proposed in the Draft South East Plan and that recommended by the Panel as the housing requirement for the 2006 to 2026 period. Box 3 lists some of the evidence cited by the Secretary of State in her reasoned justification for the overall housing provision.

**Box 3: Evidence cited in the Secretary of State’s reasoned justification for the overall housing provision**

- The bottom of the range = 32,000 dpa (Panel Report)
- The economic based need = 35,000 dpa (SEEDA)
- Trend based job forecast = 36,100 jobs (SEEDA, December 2006)
- The best available demographic evidence at the time of the EiP = 36,000 dpa
- Above + an allowance to meet the backlog in full = 37,450 dpa
- Estimates based on latest Government household projections = 37,000 dpa
- Above + an allowance to meet the backlog in full = 38,450 dpa
- Direction of change to above as indicated by latest Government population projections = upwards
- The deliverability as per the 5 year regional housing trajectory = 38,000 dpa
- The supply range recommended in the NHPAU advice to the Government = 37,800 – 49,700 dpa
- Annual increase of population as per latest official population projections = 64,300 (as opposed to 44,000 as per previous projections)

3.8.4 The specific purpose of the Roger Tym Report was to develop and appraise alternative options for accommodating housing and associated growth, additional to the amount proposed in the Draft South East Plan. Taking into account evidence regarding migration patterns, backlog and forecast job creation (see para. 3.4.2) they generated three alternative growth levels:

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35 See the Proposed Changes Schedules
36 *Ibid*
- Long-term migration based: **33,000 dpa**
- Short-term migration based: **37,000 dpa**
- Economic based: **46,000 dpa**

3.8.5 In light of the appraisal of these alternatives, the Roger Tym Report concluded that:

"Higher levels of growth across the South East (assuming that sustainable principles are adopted for its planning) will tend to provide more affordable housing, address affordability concerns, stimulate greater economic growth and provide a better range of facilities for the Region… On the other hand, higher growth will also result in higher CO₂ emissions, traffic, waste, water demand and demand for aggregates”.

3.8.6 The Roger Tym Report also identified potential conflicts with environmental and planning constraints arising from higher levels of growth:

- **Green Belt** constraints in the London Fringe and Central Oxfordshire
- **Water resources** in Central Oxfordshire, Kent Thames Gateway, parts of West Sussex and South Hampshire
- **Water quality** in South Hampshire, East Kent / Ashford, Gatwick, the London Fringe, the Sussex Coast and the Western Corridor and Blackwater Valley
- **Flood Risk** in South Hampshire, Sussex Coast, Central Oxfordshire and the Kent Thames Gateway
- **Biodiversity** particularly in the Western Corridor and London Fringe (for example with respect to the internationally designated Thames Basin Heaths)

3.8.7 Taking into account the policy context and the evidence base set out in this chapter, it is abundantly clear that the level of housing provision in the region needs to be increased beyond the level in the Draft South East Plan in order to accommodate emerging new households, combat the housing backlog, provide further affordable housing and support economic growth. For this reason, we would recommend – subject to certain mitigation measures set out in this report - the implementation of Option 2 in terms of the overall scale of provision (a total of 33,125 dpa). Note that our support for the overall level of provision does not necessarily extend to support for the allocations made in the Secretary of State’s proposed district distribution. Concerns we have in relation to development in certain sub-regions and / or districts are explored in the topic-based chapters that follow.

3.8.8 Although we recognise the need for increased housing provision, it is clear that this level of housing growth will place considerable strain on the region’s environment. Zero carbon housing developments are unlikely to be a reality before 2016 and a considerable volume of new housing will be built between now and then which will contribute to CO₂ emissions as well as to increased pressure on water and other
resources. The Roger Tym report concluded that the level of housing in the Draft South East Plan alone would lead to an 8% increase in regional domestic CO₂ emissions (excluding CO₂ emissions likely to be generated by car use associated with increased housing). In relation to water resources, the Roger Tym Report concluded that the higher the level of growth, the higher the regional deficit in water supply. These impacts as well as specific mitigation measures are further discussed in the chapters that follow.

3.8.9 The 2007 AMR indicates that although levels of housing completions on previously developed land continue to exceed RPG9 targets, there are concerns as to whether this can be sustained in the medium- to longer-term since the supply of land available, in particular derelict and vacant land within urban areas appears to be declining. The pressure to build on greenfield sites in the urban fringe – particularly around the region’s 22 Regional Hubs – is therefore likely to strongly increase in the medium- to long-term. This will place further pressure on the region’s landscapes and biodiversity and could exacerbate flood risk. These impacts as well as specific mitigation measures are further discussed in the chapters that follow.

3.8.10 The level of housing provision under Option 2 will also place considerable strain on the region’s infrastructure. For example, on the basis of modelling, the Roger Tym Report indicated that even under the level of development proposed in the Draft South East Plan, a number of trunk roads in the region would be unlikely to cope with the predicted traffic demand. In relation to infrastructure, the 2007 AMR notes that “Although generally quality of life is seen as high by residents, issues such as infrastructure provision are consistently raised through planning related public consultations and the Assembly’s own opinion polls on regional issues”37. Chapter 4 addresses the issue of infrastructure and growth in further detail.

3.8.11 Policy H1 in the Proposed Changes states that “Local Planning Authorities will facilitate the delivery of at least 662,500 net additional dwellings between 2006 and 2026” (our emphasis). This emphasis on minimum provision raises the possibility of growth beyond 33,125 dpa which arguably constitutes a further option, albeit one that cannot be specified in detail and therefore assessed for its implications. Under Policy CC7, infrastructure providers are being asked to align their investment programmes to help deliver the proposals in the Plan. However, if individual districts promoted significantly more housing than that set out in Policy H1, this could lead to inadequate infrastructure provision. We therefore recommend that the words ‘at least be removed from Policy H1 and / or housing provision be made contingent on delivery of adequate infrastructure. This is discussed further in Chapter 4.

3.9 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

3.9.1 The question of how the impacts of increased housing provision can be mitigated and enhanced is addressed in detail in the topic-specific chapters that follow. The Secretary of State’s response to the recommendations made in relation to the housing options is set out below.

<table>
<thead>
<tr>
<th>SA recommendation</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Scale of provision</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taking into account the policy context and the evidence base set out in this chapter, it is abundantly clear that the level of housing provision in the region needs to be increased beyond the level in the Draft South East Plan in order to accommodate emerging new households, combat the housing backlog, provide further affordable housing and support economic growth. For this reason, we would recommend – subject to certain mitigation measures set out in this report - the implementation of Option 2 in terms of the overall scale of provision (a total of 33,125 dpa). Note that our support for the overall level of provision does not necessarily extend to support for the allocations made in the Secretary of State’s proposed district distribution. Concerns we have in relation to development in certain sub-regions and / or districts are explored in the topic-based chapters that follow.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The SA recommendation of 33,125dpa as the preferred option – subjected to caveats – is noted.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Minimum provision</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policy H1 in the Proposed Changes states that “Local Planning Authorities will facilitate the delivery of at least 662,500 net additional dwellings between</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No change.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The limitations of the bottom up evidence-base underpinning the Draft South East Plan means it</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

April 2009
"2006 and 2026" (our emphasis). This emphasis on minimum provision raises the possibility of growth beyond 33,125 dpa which arguably constitutes a further option, albeit one that cannot be specified in detail and therefore assessed for its implications. Under Policy CC7, infrastructure providers are being asked to align their investment programmes to help deliver the proposals in the Plan. However, if individual districts promoted significantly more housing than that set out in Policy H1, this could lead to inadequate infrastructure provision. We therefore recommend that the words ‘at least be removed from Policy H1 and / or housing provision be made contingent on delivery of adequate infrastructure. This is discussed further in Chapter 4.

is not possible to make a robust district level distribution that sufficiently meets the overall needs and demands of the region at this stage. It is, therefore, proposed that Policy H1 numbers are treated as a minimum that needs to be the subject of a review in discussion with the Regional Planning Body. This approach is supported by the Panel’s view that housing levels should neither be treated as ceilings, nor should there be any attempt to ration planning permissions. The Panel have also indicated that they see no impediment to allowing the accommodation of higher numbers than indicated in Policy H1 at the main brownfield opportunity areas identified in the Plan if this were later found to be feasible e.g. at Shoreham Harbour or Whitehill Bordon.

The proposed policy aims to reflect the stronger emphasis on increased housing provision in the Housing Green Paper, and is in line with national policy. In a strategic long-term context, the South East remains a high demand area. It is not considered that inclusion of a minimum figure will risk the scenario set out by this recommendation unfolding. Any significant additional growth would need to brought forward through its own LDF or planning application process which will be subject to its own SA / HRA assessment. It would also be expected to be brought forward in accordance with policies in this RSS, and aligned to infrastructure provision. Policy H1 sets out the need to take infrastructure constraints into account, and the strengthened Policy CC7 makes clear that the scale and pace of development
3.10 What will be the situation under the Final Revisions / South East Plan?

3.10.1 The Final Revisions make several changes in relation to housing provision – see Table 12.

Table 12: Significant changes in relation to housing provision

<table>
<thead>
<tr>
<th>Significant changes – housing provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1, SCT5, LF3, MKAV1, MKAV2, GAT3, AOSR2 – <strong>housing numbers reduced</strong> from 662,500+ to 654,000 (from 33,125 to 32,700 per year). Change is (total provision):</td>
</tr>
<tr>
<td>Sussex coast – from 70,300 to 68,900</td>
</tr>
<tr>
<td>London fringe – from 48,620 to 47,880</td>
</tr>
<tr>
<td>Milton Keynes – from 71,460 to 68,260</td>
</tr>
<tr>
<td>Gatwick – minor change</td>
</tr>
<tr>
<td>Rest of Bucks. – from 6,100 to 3,700</td>
</tr>
<tr>
<td>Rest of Hampshire – from 24,900 to 24,400</td>
</tr>
<tr>
<td>Reductions in Brighton &amp; Hove, Reigate &amp; Banstead, Milton Keynes (east of M1)</td>
</tr>
</tbody>
</table>

With regard to the DERA site at Chertsey: “This allocation will be delivered in the period between 2016-2026. Between 2006-2015 the annual requirement will be 161 dwellings per annum. In the event that the site cannot be released for housing, there is no expectation that the shortfall should be provided elsewhere within Runnymede.”

‘At least’ removed from H1. **Housing numbers are no longer to be ‘treated as minimums’**. Instead notes that “Local authorities can test higher numbers through their development plan documents provided that they are consistent with the principles of sustainable development set out in PPS1 and tested through sustainability appraisal and Habitats Regulations Assessment. The next review of this RSS also needs to review the current levels of housing and a higher rate of provision than 32,700 dwellings per annum is likely to be necessary to meet the strategic needs in the region.”

3.10.2 In relation to the overall level of housing provision, it is very clear that the level of housing provision in the region needs to be increased significantly in order to accommodate emerging new households, combat the housing backlog, provide further affordable housing and support economic growth. For this reason, at the Proposed Changes stage we supported – subject to certain mitigation measures – the implementation of Option 2 – 33,125 dpa. From a social and economic point of view, the subsequent reduction in overall provision to 32,700 dpa is likely to be negative in its
impacts. However, the reduction is relatively small. The real issue is the widening gulf between the level of housing provision enshrined in regional policy and the actual level of housing need. The latest household projections (March 2009) indicate that 39,000 new households will emerge per year in the South East from 2006 to 2031. This indicates a shortfall of over 6,000 dpa not even taking into account the existing housing backlog. The existing economic climate and the downturn in the construction sector will only worsen the situation and it remains to be seen whether provision can rapidly increase over-and-above past delivery rates once the upturn begins. The social and economic impacts of the cumulative shortfall in housing provision are difficult to clearly envisage but will clearly be significant. The Final Revisions state that “The next review of this RSS also needs to review the current levels of housing and a higher rate of provision than 32,700 dwellings per annum is likely to be necessary to meet the strategic needs in the region”.

3.10.3 At the Proposed Changes stage, we expressed concern over the wording of Policy H1 and the implication that housing allocations should be treated as minimums: “Local Planning Authorities will facilitate the delivery of at least 662,500 net additional dwellings between 2006 and 2026” (our emphasis). This emphasis on minimum provision raised the possibility of growth beyond 33,125 dpa which arguably constituted a further option, albeit one that could not be specified in detail and therefore assessed for its implications. In addition, we had concerns that uncertainties over the level of provision might affect infrastructure planning. We note that the words ‘at least’ have now been removed from Policy H1 and that housing allocations are no longer to be treated as minimums. Instead, the Final Revisions note that “Local authorities can test higher numbers through their development plan documents provided that they are consistent with the principles of sustainable development set out in PPS1 and tested through sustainability appraisal and Habitats Regulations Assessment”. This provides some assurance that the sustainability – and particularly environmental – implications of greater housing provision will be comprehensively tested. The increasing importance attached to infrastructure planning at the local level may also ease fears over infrastructure shortfalls.
4 Infrastructure and growth

4.1 Introduction

4.1.1 This chapter, like the final South East Plan, considers infrastructure to include:

- Transport: airports, ports, road network, rail network
- Housing: affordable housing (addressed later in this report)
- Education: further and higher education, secondary and primary education, nursery
- Health: acute care and general hospitals, mental hospitals, health centres/primary care trusts, ambulance services
- Social infrastructure: supported accommodation, social and community facilities, sports centres, open spaces, parks and play space
- Green infrastructure: public open space. Green infrastructure includes outdoor recreational and sports facilities, parks, gardens and allotments, tracks and pathways, natural and historic sites, canals and water spaces, as well as accessible countryside. It is a network of multi-functional green spaces in urban areas, the countryside in and around towns, and the wider countryside.
- Public services: waste disposal, libraries, cemeteries, emergency services, water supply, waste water treatment, places of worship, prisons, drug treatment centres
- Utility services: gas supply, electricity supply, heat supply
- Flood defences

4.1.2 Some aspects of infrastructure, for instance green and social infrastructure, provide obvious social including health benefits. However, the role of most infrastructure is to prevent serious disbenefits:

- flood defences prevent the social and economic costs associated with flooding
- waste disposal and wastewater treatment prevent health problems
- health care facilities and emergency services prevent and treat health problems
- affordable housing and supported accommodation etc. support vulnerable groups, and help prevent increasing social inequalities

4.1.3 As the Environment Agency observes, “Our towns and cities would be uninhabitable without a network of services that protect us from flooding, deal with our rubbish and
sewage and provide us with clean water. These are not optional extras but they’re often taken for granted.\textsuperscript{38}

4.1.4 Increased housing numbers could affect infrastructure delivery in a range of ways:

- Some types of infrastructure (e.g. combined heat and power, new railway station) may be more easily deliverable in areas of high growth or for large-scale development, so could be facilitated by higher housing numbers;

- There may be other economies of scale in providing infrastructure (e.g. flood defences, wastewater treatment plants). For instance, the Environment Agency (2007) report suggests that environmental infrastructure costs per dwelling could be considerably lower for 46,240 than for 28,900 dwellings per year;

- On the other hand, higher housing numbers could mean that infrastructure providers will be in tougher competition with other developers for land, which could increase delivery costs;

- The Panel Report for the East of England noted with respect to housing: “simply adding even higher numbers to the regional housing provision would not increase delivery further in the short to medium term. In fact it could prove counter-productive as LDDs would have to wrestle with additional requirements instead of getting on with what is deliverable”. The same argument could apply to the provision of infrastructure.

4.1.5 These issues will vary depending on the specific location of development but are independent of how close the links are between housing provision and infrastructure provision.

4.1.6 Constraints to the delivery of infrastructure include:

**Timing**

- Major infrastructure schemes such as airports and reservoirs have long (20+ year) time lags, in part due to problems in getting planning permission for unpopular developments e.g. landfills, reservoirs, incinerators.

- There is a problem in delivering major infrastructure when the regulatory review cycles are too short to cope with the scale of investment required

- Companies’ spending plans don’t neatly coincide with the RSS timetable: for instance, the water companies’ plans are only reviewed every 5 years.

For large infrastructure, mainstream public expenditure must remain a prime factor, especially where service provision is reliant more on revenue than on capital expenditure.

Planners need to deal with pressures from developers who want fast planning permissions without taking infrastructure needs into consideration.

Level and type of funding

• Many major infrastructure decisions are taken at the national, not regional or local level, so are not within the remit of the RSS.

• Some infrastructure costs are not proportional to housing growth numbers, e.g. those with a ‘threshold’ (e.g. reservoir) so household or roof levies may not always work.

• Much revenue support is determined on the basis of formulae underpinned by population forecasts, but these become rapidly out of date in the fast growing areas. Also, actual spending levels depend on a wide range of factors (e.g. number of people who commute into area regularly, environmental factors) as well as the size of the resident population.

Balance between competing interests

• Although funding is often available for initial works (e.g. bus shelters, parks), providing funding for the longer term maintenance is much more difficult and less certain.

• S106 contributions have often been focused on providing affordable housing, reducing the funding available to invest in other forms of infrastructure.

• S106 funding of infrastructure can be problematic where there are many small sites.

• Existing environmental infrastructure is typically built and developed without considering purposes other than those for which it specifically applies, so opportunities for multiple benefits from one piece of infrastructure are often not taken up.

• Large-scale infrastructure is in competition for sites against housing, employment etc.

• There is poor recognition of the benefits provided by social and green infrastructure (Roger Tym and Associates, 2005; Environment Agency 2007; Panel Report, 2007), although this is improving with Defra’s promotion of an ‘ecosystem services’ approach39.

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4.2 What are the key sustainability objectives we need to consider?

4.2.1 Key objectives from the IRF include:

- To improve accessibility to all services and facilities including the countryside and the historic environment
- To improve the efficiency of transport networks by enhancing the proportion of travel by sustainable modes and by promoting policies which reduce the need to travel

4.3 What’s the policy context?

4.3.1 The policy context in relation to infrastructure includes Government White Papers on transport and, more specifically, issues such as aviation. Particularly relevant documents include the Department for Transport’s Delivering a Sustainable Railway\(^{40}\) and the Eddington Transport study. The latter highlights the critical importance of transport infrastructure to the economy:

> “the performance of the UK’s transport networks will be a crucial enabler of sustained productivity and competitiveness: a 5 per cent reduction in travel time for all business travel on the roads could generate around £2.5 billion of cost savings – some 0.2 per cent of GDP. Good transport systems support the productivity of urban areas, supporting deep and productive labour markets, and allowing businesses to reap the benefits of agglomeration. Transport corridors are the arteries of domestic and international trade, boosting the competitiveness of the UK economy.”

\(^{41}\)

4.3.2 At the local level, PPS12 highlights the importance of spatial planning in ensuring the provision of adequate infrastructure: “[In relation to housing, spatial planning] orchestrates the necessary social, physical and green infrastructure to ensure sustainable communities are delivered... Spatial planning is also critical in relation to economic growth and regeneration by... providing a robust basis for assessing the need for, and providing supporting infrastructure... for economic development.”

\(^{42}\)

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4.4 What’s the situation now?

4.4.1 Many submissions at the EiP into the Draft South East Plan noted that past under-investment in infrastructure is already causing social, environmental and economic problems in the South East region; and that these problems would worsen if concerted efforts were not made to ensure that new development was accompanied with appropriate infrastructure. The Draft South East Plan noted that: “The inadequacy of infrastructure provision to keep pace with new development is the single most critical issue that has emerged throughout the Plan’s preparation. The legacy of past underinvestment in the region not only has an adverse impact on the economic performance of the region, but increases environmental impacts and reduces quality of life”.

4.5 What will be the situation without the plan?

4.5.1 Although some infrastructure requirements – for instance for hospitals and cemeteries – relate to the size of the population, others are more closely linked to the number of households.

4.5.2 Table 13 shows how requirements for water, waste treatment, electricity and gas vary depending on the size of household. It suggests, for instance, that if a four-person household split into two two-person households, this would result in about 30% more water consumption, 70% more waste production and energy use, and 50% more electricity use, despite the population staying the same. Similarly, a three-person household that splits into a two-person and a one-person household would result in about 25% water, 60% more waste and energy use, and 40% more electricity use. Similar considerations will apply to some social services.

4.5.3 Statistics related to transport suggest a different pattern. The National Travel Survey\(^3\) shows that households with two adults are much more likely to own at least one car than households with one adult; and that households with children are slightly more likely to own at least one car than households without children. Households without a car walk 64% more than the average population, travel by non-walking modes less than half as much, and travel by private transport less than one-fifth as much as the general population. This suggests that splitting households could reduce the need to travel overall (and thus the need for transport infrastructure) but increase demand for green infrastructure and accessible local services.

4.5.4 There are significant costs if adequate infrastructure is not provided. For instance, Sir Rod Eddington (2006) noted that, “if left unchecked 13 per cent of traffic will be subject to stop-start travel conditions by 2025”.

Table 13: Per capita resource use by size of household

<table>
<thead>
<tr>
<th>No. people in household</th>
<th>If a one-person household = 1.0 per person, larger households = X per person</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Water use(a)</td>
</tr>
<tr>
<td>1</td>
<td>1.00</td>
</tr>
<tr>
<td>2</td>
<td>0.83</td>
</tr>
<tr>
<td>3</td>
<td>0.71</td>
</tr>
<tr>
<td>4</td>
<td>0.65</td>
</tr>
<tr>
<td>5+</td>
<td>0.63</td>
</tr>
</tbody>
</table>

a. Based on data collected by Thames Water: Table 5.2 in draft London water strategy, [http://www.london.gov.uk/mayor/environment/water/index.jsp](http://www.london.gov.uk/mayor/environment/water/index.jsp)

4.6 What would have been the situation under the Draft South East Plan?

4.6.1 Table 14 shows the costs of providing infrastructure in the South East as predicted in two reports. A 2005 report prepared for the South East Counties (Roger Tym and Partners, 2005) suggested that housing growth of 28,000 dwellings per annum between 2001 and 2026 would require almost £30 billion of public sector plus £7 billion of private sector infrastructure. A 2007 report by the Environment Agency suggested that provision of environmental infrastructure alone for 28,900 dpa for 20 years would cost £42 billion. Both reports noted that their predictions were likely to be ‘conservative’ or ‘a minimum figure’.
4.6.2 To deal with this problem, the Draft South East Plan included a policy on infrastructure, which stated that new development could not proceed without the necessary infrastructure being available in time (Box 4); a proposed Concordat with central Government for infrastructure provision; and reference to an Implementation Plan which would be an integral element of the South East Plan and which would specify the infrastructure resources required and who should be responsible for providing them.

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Table 14: South East Plan’s definition of infrastructure

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<tbody>
<tr>
<td></td>
<td>28,000 dpa, 2001-2026</td>
<td>28,900 dpa, 2006-2026</td>
</tr>
<tr>
<td>Transport</td>
<td>£12.5 billion (plus £12.5 billion for rail infra-structure identified by SEERA)</td>
<td></td>
</tr>
<tr>
<td>Housing</td>
<td>£18 billion</td>
<td></td>
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<tr>
<td>Education</td>
<td>£2.5 billion</td>
<td></td>
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<tr>
<td>Health</td>
<td>£0.8 billion</td>
<td></td>
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<tr>
<td>Social infrastructure</td>
<td>£1.1 billion</td>
<td></td>
</tr>
<tr>
<td>Green infrastructure</td>
<td>£0.2 billion</td>
<td>‘biodiversity infrastructure’ £2.7 billion</td>
</tr>
<tr>
<td>Public services</td>
<td>£0.3 billion</td>
<td>waste only £6.1 billion</td>
</tr>
<tr>
<td>Utility services</td>
<td>not covered</td>
<td>water supply and wastewater treatment only £27 billion</td>
</tr>
<tr>
<td>Flood defences</td>
<td>£1.2 billion</td>
<td>£6.3 billion</td>
</tr>
</tbody>
</table>

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44 Roger Tym and Partners (2005). *The cost and funding of growth in South East England*, report for the South East Counties [online] available at: [www.tymconsult.com/u_files/FINAL_REPORT.PDF](http://www.tymconsult.com/u_files/FINAL_REPORT.PDF) (accessed 14 May 2008). NB GOSE has expressed concerns that this report did not take into account demand management or spare capacity in existing infrastructure. Its funding assumptions were also based on a nil deficit position which has never been achieved.

Box 4: Draft South East Plan, Policy on infrastructure

The scale and pace of development will be dependent on there being sufficient capacity in existing infrastructure to meet the area’s current needs and the provision of new infrastructure to meet the needs of new development. The funding for this infrastructure will require substantial contributions from central Government. In addition, partnerships between central Government, local government and the private sector have the capacity to lever in additional funding.

To help achieve this:

(i) The assembly expects all the relevant infrastructure agencies and providers to align their investment programmes to help deliver the proposals in the Plan

(ii) Local Development Documents should identify the necessary additional infrastructure and services required to serve the area and the development they propose together with the means, broad cost and timing of their provision related to the timing of development

(iii) Development shall not proceed until the relevant planning authorities are satisfied that the necessary infrastructure required to serve the development is available or will be provided in time

(iv) Contributions from development will also be required to help deliver the necessary infrastructure. To provide clarity for landowners and prospective developments, local authorities should include policies and prepare clear guidance in their Local Development Documents, in conjunction with other key agencies, on the role of development contributions towards infrastructure.

The Assembly therefore proposes to Government the need for a package of initiative designed to improve infrastructure delivery and create greater confidence and assurance. This package is underpinned by a proposed Concordat between Government and the Assembly.

In order to further secure effective delivery of the Plan, and particularly the timely delivery of the necessary supporting infrastructure, an Implementation Plan will be prepared, monitored and reviewed, which will set out the requirements and obligations for public and private sector bodies at the national, regional and local levels. The Implementation Plan will include a regional and sub-regional investment framework identifying the strategic infrastructure schemes needed to deliver the Plan.

4.6.3 The Implementation Plan noted that: “The Implementation Plan is an integral element of the South East Plan and is in effect a business plan for the region... The Implementation Plan identifies that critical to delivery of the South East Plan is the need to align the investment decisions of a number of organisations... Only in this way is it possible for the region to deliver the planned levels of growth set out within the South East Plan”.

4.6.4 The SA of the South East Plan broadly supported this approach. It noted that provision of infrastructure was a form of mitigation for the impacts of the proposed development in the region; it also noted that lack of provision of appropriate infrastructure would lead to unsustainable development:
- **Air quality**: “It appears likely that even with the investment in public transport which is being sought the policies will lead to an increase in emissions”

- **Climate change**: “Climate change impacts are partially tackled via regional policies on sustainable design and construction and also infrastructure”

- **Improve accessibility to all services and facilities**: “The success of improving accessibility is heavily dependent on obtaining sufficient funding to develop the necessary infrastructure”

- **Promotion of sustainable transport**: “The levels of growth that are anticipated will place immense pressure on transport infrastructure that is already under great strain in certain locations. Unless policies are rigorously implemented and are very effective in both the short and longer terms the transport infrastructure of the region will be under even greater pressure. Funding for the scale of investment required is also very challenging”

- **Waste management**: “Given the growth rates implied in all of the options, waste arisings are set to increase and place increasing pressure on waste management infrastructure, with greater pressure from higher growth rates”

- **Water quality**: “The approach of the plan is based on a twin-track approach, i.e. new infrastructure and demand management... Should demand management and increased efficiency not be delivered then this element of the Framework risks being inefficient and largely ‘predict and provide’. This will possibly exacerbate existing resource shortages... Water supply and wastewater treatment infrastructure capacity are of concern in the majority of sub-regions”

4.6.5 The SA of the Draft South East Plan noted that housing provision of 32,000 dpa were more likely to meet housing demands (and therefore ease problems of affordability) and provide for higher rates of economic growth, but would place more pressure on environmental resources, in particular the transport infrastructure.

4.6.6 Specifically in reference to the Implementation Plan, the appraisal noted that: “The Implementation Plan highlights the need for significant inputs in terms of funding for infrastructure as well as the need for significant policy change in order to deliver the Plan. This raises concerns over the likely achievement of the levels of funding and the speed of policy change. This in turn raises questions over the extent to which the preferred level and distribution of growth set out in the Plan can be achieved in a sustainable fashion...”

4.6.7 “The appraisal is in agreement with the key issues identified in [the Implementation Plan] in terms of pre-conditions for effective implementation namely:

- Sustained levels of public sector investment and issues of funding availability and suitable funding measures;

- Increasing the contribution of the private sector;
• Increasing the level of integration in investment decisions;
• More effective delivery mechanisms; and
• Behavioural change."

4.6.8 “[The Infrastructure Concordat] is an interesting and potentially valuable initiative. From the perspective of the SA it would be useful if there was also a ‘Policy Concordat’ setting out the changes and timescales for change for policies to assist the behavioural and other changes necessary to implement the Plan in a sustainable way.”

4.6.9 The Panel Report disagreed with the main elements of the Draft South East Plan’s approach. It stated that:

• Housing levels cannot be made contingent on infrastructure delivery since “this would produce a ‘stop-go’ climate unhelpful to investment”. Instead it recommended that the Assembly’s role should be to coordinate and lobby for infrastructure; the RSS should stress the importance of maintaining a close relationship between the scale and phasing of development and the provision of infrastructure; and that delivery vehicles such as tariffs, pooled infrastructure provision, local delivery vehicles and a Regional Infrastructure Fund should be supported.

• Infrastructure capacity cannot be matched exactly to a particular level of housing development. As such, Policy CC5 (iii) should be deleted. Instead CC5 should stress the close relationship between development and infrastructure, the importance of timely infrastructure delivery vis-à-vis new housing, and the need for collaborative working to plan for and provide infrastructure. Box 5 shows the changes to CC5 recommended by the Panel Report. It also recommended the removal of infrastructure conditionality clauses from several sub-regional policies.

• Although the proposed Concordat between national and regional government is ‘innovative’, it is unrealistic to expect firm guarantees of available resources from Government up to and beyond 2026. As such, reference to the Concordat should be deleted;

• The Implementation Plan should be made a non-statutory document.

4.6.10 The Panel Report supported its proposed approach by noting that:

• It is consistent with (the former) PPS12, which notes that allocations should only be selected if there is a reasonable chance of infrastructure being provided;

• The higher scale of development proposed in the Panel report may assist in unlocking strategic infrastructure at a local level;

• The housing numbers and locational specificity of the RSS should provide a clear steer to infrastructure providers about the scale and timing of infrastructure
required, and should allow them to negotiate financial settlements with central government;

- Uncertainties, for instance due to the implementation of the Habitats and Water Framework Directives, should not dictate the scale and strategic distribution of new development, though they may influence the phasing and more local site allocations for development. This should not lead to premature development, given the strength of control functions within the planning system.

Box 5: Panel Report policy on infrastructure

The scale and pace of development will be dependent on there being sufficient capacity in existing infrastructure to meet the area’s current needs and the provision of new infrastructure to meet the needs of new development. The funding for this infrastructure will require substantial contributions from central Government. In addition, partnerships between central Government, local government and the private sector have the capacity to lever in additional funding.

To help achieve this:

(i) The assembly expects all the relevant infrastructure agencies and providers to align their investment programmes to help deliver the proposals in the Plan

(ii) Local Development Documents should identify the necessary additional infrastructure and services including green infrastructure required to serve the area and the development they propose together with the means, broad cost and timing of their provision related to the timing of development

(iii) Contributions from development will also be required to help deliver the necessary infrastructure. To provide clarity for landowners and prospective developments, local authorities should include policies and prepare clear guidance in their Local Development Documents, in conjunction with other key agencies, on the role of development contributions towards infrastructure.

The phasing of development will be closely related to the provision of infrastructure. In order to create confidence and assurance in the timely delivery of infrastructure in relation to new housing a more pro-active approach to funding will be adopted. This will involve a joint approach by regional bodies, local authorities, infrastructure providers and developers. Consideration will be given to the polling of contributions towards the cost of facilities, development tariffs and local delivery vehicles. Mechanisms to enable forward funding of strategic infrastructure will be agreed between regional bodies and Government including a possible Regional Infrastructure Fund.

In order to further secure effective delivery of the Plan, and particularly the timely delivery of the necessary supporting infrastructure, an Implementation Plan will be prepared, monitored and reviewed, which will set out the requirements and obligations for public and private sector bodies at the national, regional and local levels. The Implementation Plan will include a regional and sub-regional investment framework identifying the strategic infrastructure schemes needed to deliver the Plan. The schemes will aim to deliver efficiency by improved management of existing assets and to reduce demand by promoting behavioural changes as well as providing additional capacity by extending or providing new infrastructure.
4.7 What would have been the situation under the Draft Proposed Changes?

4.7.1 The Draft Proposed Changes of March 2008 reflected most of the findings of the Panel Report, but focused only on the needs of new development, and removed the mention of demand management. The proposed approach to infrastructure is shown in Box 6.

Box 6: Draft Proposed Changes, Policy CC7

The scale and pace of development will depend on sufficient capacity being available in existing infrastructure to meet the needs of new development. Where sufficient capacity cannot be demonstrated the scale and pace of development will be dependent on the prospects of releasing capacity through management of demand or through provision of new infrastructure.

Funding will be provided by a combination of Central Government, Local Government and Private Sector partners, including substantial contributions from Central Government.

To help achieve this:

i. Infrastructure agencies and providers must align their investment programmes to help deliver the proposals in this RSS

ii. Local Development Documents should identify the necessary additional infrastructure and services required to serve the area and the development they propose together with the means, broad cast and timing of their provision related to the timing of development

iii. Contributions from development will also be required to help deliver the necessary infrastructure. To provide clarity for landowners and prospective developers, local authorities should include policies and prepare clear guidance in their Local Development Documents, in conjunction with other key agencies, on the role of development contributions towards infrastructure.

The phasing of development will be closely related to the provision of infrastructure. In order to create confidence and assurance in the timely delivery of infrastructure in relation to new housing a more proactive approach to funding will be adopted. This will involve a joint approach by regional bodies, local authorities, infrastructure providers and developers. Consideration will be given to the pooling of contributions towards the cost of facilities, development tariffs and local delivery vehicles. Mechanisms to enable forward funding of strategic infrastructure will be agreed between regional bodies and Government, including a possible Regional Infrastructure Fund.

In order to further secure effective delivery of the Plan, and particularly the timely delivery of the necessary supporting infrastructure, an Implementation Plan will be prepared, monitored and reviewed, which will set out the requirements and obligations for public and private sector bodies at the national, regional and local levels. The Implementation Plan will include a regional and sub-regional investment framework identifying the strategic infrastructure schemes needed to deliver the Plan.
4.7.2 A particular problem of certainty related to the wording of the housing levels proposed in the RSS. The Panel Report noted, when proposing the removal of the infrastructure conditionality clause, that the RSS should provide an equivalent level of certainty:

“We consider that the role of the RSS is to provide a firm basis for planning. Hence our recommended housing provision figures are intended to be targets. In this way the spatial strategy should provide a clear steer to infrastructure providers about the scale and timing of new infrastructure required. In relation to the water utility companies this should provide them with the ammunition needed to justify financial settlement with Ofwat for new sources of water supply and waste water treatment (WWT) capacity. In relation to the latter, it should also provide them with adequate warning of the engineering solutions that might need to be commissioned in order to avoid exceeding new water quality standards as these are progressively tightened under the Water Framework Directive.”

4.7.3 However, Policy H1 of the Proposed Changes stated that “Local Planning Authorities will facilitate the delivery of at least 662,500 net additional dwellings between 2006 and 2026”. This suggested that local authorities could provide more, possibly many more, homes than shown in the RSS. This changing, uncertain situation did not provide a clear steer to infrastructure providers and did not provide them with the ammunition needed to negotiate adequate long-term funding for infrastructure. This would be a particular problem for large-scale infrastructure with a long lead-in time, such as reservoirs and rail.

4.7.4 The SA of the Draft Proposed Changes compared the approaches to infrastructure provision taken in the Draft South East Plan, Panel Report, and Draft Proposed Changes: Table 15 is an extract from the SA. The SA identified the main infrastructure-related issue as being the dual uncertainty caused by the fact that the housing figures of Policy H1 were minimum figures, and that housing growth was not firmly linked to delivery of supporting infrastructure. The SA predicted that the Draft Proposed Changes would have short-term benefits but long-term negative environmental and social impacts resulting from a build-up of infrastructure deficit.
Table 15: Key differences between the Draft Proposed Changes and the Draft South East Plan

<table>
<thead>
<tr>
<th></th>
<th>Draft South East Plan</th>
<th>Draft Proposed Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of provision for existing and future need</td>
<td>The scale and pace of development will be dependent on there being sufficient capacity in existing infrastructure to meet the area’s current needs and the provision of new infrastructure to meet the needs of new development.</td>
<td>The scale and pace of development will depend on sufficient capacity being available in existing infrastructure to meet the needs of new development. Where sufficient capacity cannot be demonstrated the scale and pace of development will be dependent on the prospects of releasing capacity through management of demand or through provision of new infrastructure.</td>
</tr>
<tr>
<td>Certainty of provision</td>
<td>Development shall not proceed until the relevant planning authorities are satisfied that the necessary infrastructure required to serve the development is available or will be provided in time</td>
<td>The phasing of development will be closely related to the provision of infrastructure.</td>
</tr>
<tr>
<td>Funding</td>
<td>The Assembly therefore proposes to Government the need for a package of initiative designed to improve infrastructure delivery and create greater confidence and assurance. This package is underpinned by a proposed Concordat between Government and the Assembly.</td>
<td>In order to create confidence and assurance in the timely delivery of infrastructure in relation to new housing a more pro-active approach to funding will be adopted. This will involve a joint approach by regional bodies, local authorities, infrastructure providers and developers. Consideration will be given to the pooling of contributions towards the cost of facilities, development tariffs and local delivery vehicles. Mechanisms to enable forward funding of strategic infrastructure will be agreed between regional bodies and Government including a possible Regional Infrastructure Fund.</td>
</tr>
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</table>
4.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

4.8.1 The SA recommended that: “the Draft South East Plan’s approach of firmly linking the delivery of future development to the provision of adequate infrastructure is the most sustainable in the long-term. This is particularly the case because of the uncertainties regarding future housing numbers posed by Policy H1 and the next review of the RSS. At the very least, the Plan should make clear that housing cannot and should not be delivered without adequate infrastructure being put in place. The Draft Proposed Changes’ reference to development being ‘dependent on the prospects of releasing capacity’ promotes a particularly high level of uncertainty....”

4.8.2 In response to the SA’s findings, the Secretary of State changed policy CC7 to strengthen the links between housing provision and provision of infrastructure, and to more clearly reflect that infrastructure requirements arise from increasing household numbers as well as increasing population. These changes are shown below:

<table>
<thead>
<tr>
<th>SA recommendation</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population v. household size re. need for infrastructure</td>
<td>Note that some infrastructure demand relates to population size and some to the number of households. This is in response to supporting text to CC7 which read: “It is important to note that new development does not in itself create a need for new infrastructure. Rather it is the people who use the homes, facilities and workplaces that create the demand. With this in mind and to deliver best value an understanding of how this demand will arise and how best it can be met is required. Firstly, an understanding of how patterns of use of infrastructure will change, and how use of existing infrastructure can be optimised is required, particularly given that two thirds of new housing will be taken up by those already in the region... Thirdly, we need to understand where...”</td>
<td>Supporting text to CC7 rephrased to: “To deliver best value this will firstly require a full understanding of how the use of existing infrastructure can best be optimised. Secondly, an understanding of the scope to reduce demand for infrastructure is needed, for example through increased energy efficiency or reduced water usage. Thirdly, we need to understand where additional demand will arise, and whether it is driven by increasing populations or by changes in household size. For example, demand for energy and water usage increases as the size of households falls, but this on its own trend may have less effect on the demand for other types of infrastructure (such as transport infrastructure), as there is no population increase.”</td>
</tr>
</tbody>
</table>
additional demand will arise, for example from people moving into the region to take up work.”

**Infrastructure conditionality / reduce uncertainty / existing deficit**

<table>
<thead>
<tr>
<th>Firmly link the delivery of future development to the provision of adequate infrastructure. At the very least, the Plan should make clear that housing cannot and should not be delivered without adequate infrastructure being put in place. Refracte reference to development being ‘dependent on demand management and/or provision of new infrastructure sufficient to provide adequate infrastructure to both existing and new development, before development begins’. Refer to meeting the area’s current as well as future needs</th>
</tr>
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<tr>
<td>The Secretary of State agrees that the timely delivery of essential infrastructure is crucial to support new development, and that the sustainability performance of the RSS will be dependent on infrastructure being in place to support new development, and on action being taken to reduce infrastructure deficit where necessary. In particular we recognise that there will be circumstances where new development will need to be supported by specific infrastructure so that particular standards can be maintained or improved – for example European water quality standards, which will require long term investment. Policy CC7 is included to support this approach. The issue is how this policy operates in practice, rather than its objectives, and how best the RSS can achieve this whilst providing certainty for developers and infrastructure providers and the smooth operation of a plan – led system. Our concern over re-inserting the ‘contingency clause’ (‘development shall not proceed until the relevant planning authorities are satisfied that the necessary infrastructure required to serve the development is available or will be provided in time’….) stems from the way it would potentially operate in practice, rather than the intention of the clause itself. This is because:</td>
</tr>
<tr>
<td>• It focuses on the provision of reinstatement of the conditionality clause has been accepted in certain situations. The new text in CC7 reads: ‘The scale and pace of development will depend on sufficient capacity being available in existing infrastructure to meet the needs of new development. Where this cannot be demonstrated the scale and pace of development will be dependent on additional capacity being released through demand management measures or better management of existing infrastructure, or through the provision of new infrastructure. Where new development creates a need for additional infrastructure a programme of delivery should be agreed before development begins’. Where it is considered that infrastructure needs to be in place before development begins (in particular to protect the integrity of important nature conservation sites) this should be highlighted against the relevant policy, with a list of districts included where this need has already been identified – an example being policy NRM1.</td>
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<tr>
<td><strong>infrastructure only.</strong></td>
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<tr>
<td>• Policy CC7 has been amended (on the advice of the Panel) to include strong messages on demand management and the need to use existing capacity where possible</td>
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<tr>
<td>• GOSE representations to the EiP highlighted that as phrased this could act as a brake on new development. This was picked up by the Panel who agreed that this would lead to a ‘stop-go’ investment climate.</td>
</tr>
<tr>
<td>• This original policy was written as a reactive development control-led policy rather than a forward planning policy, and did not give certainty to developers. The Plan making stage should identify relationship between new development and infrastructure, and not leave it to the development control stage.</td>
</tr>
<tr>
<td>• It is not clear how ‘necessary’ would be defined at the development control stage, which would lead to different approaches in different areas.</td>
</tr>
<tr>
<td>• It is too simplistic in that it cannot recognise that there are some aspects of infrastructure that need to be in place before development e.g. wastewater but others that will require demand to be viable e.g. bus services, schools.</td>
</tr>
</tbody>
</table>
4.9 What will be the situation under the Final Revisions / South East Plan?

**Significant changes**

4.9.1 The Final Revisions make very few changes to infrastructure policy CC7 itself: Box 7 shows these changes.

**Box 7: Final Policy CC7, showing changes since Proposed Changes**

The scale and pace of development will depend on sufficient capacity being available in existing infrastructure to meet the needs of new development. Where this cannot be demonstrated the scale and pace of development will be dependent on additional capacity being released through demand management measures or better management of existing infrastructure, or through the provision of new infrastructure. Where new development creates a need for additional infrastructure a programme of delivery should be agreed before development begins.

Funding will be provided by a combination of Central Government, Local Government and Private Sector partners, including substantial contributions from Central Government.

To help achieve this:

i. Infrastructure agencies and providers will aim to align their investment programmes to help deliver the proposals in this RSS

ii. Local Development Documents will identify the necessary additional infrastructure and services required to serve the area and the development they propose together with the means, broad cast and timing of their provision related to the timing of development

iii. Contributions from development will also be required to help deliver necessary infrastructure. To provide clarity for landowners and prospective developers, local authorities should include policies and prepare clear guidance in their Local Development Documents, in conjunction with other key agencies, on the role and scope of development contributions towards infrastructure.

The phasing of development will be closely related to the provision of infrastructure. In order to create confidence and assurance in the timely delivery of infrastructure in relation to new housing a more proactive approach to funding will be adopted. This will involve a joint approach by regional bodies, local authorities, infrastructure providers and developers. Consideration will be given to the pooling of contributions towards the cost of facilities, development tariffs and local delivery vehicles. Mechanisms to enable forward funding of strategic infrastructure will be agreed between regional bodies and Government, including One of these, a Regional Infrastructure Fund, is currently being developed for the South East Region.

In order to further secure effective delivery of the Plan, and particularly the timely delivery of the necessary supporting infrastructure, an Implementation Plan will be prepared, monitored and reviewed, which will set out the requirements and obligations for public and private sector bodies at the national, regional and local levels. The Implementation Plan will include a regional and sub-regional investment framework identifying the strategic infrastructure schemes needed to deliver the Plan.
4.9.2 However they reduce housing numbers from 662,500 to 654,000, with the reductions coming primarily in areas of infrastructure and flood constraints. More importantly, ‘at least’ has been removed from Policy H1; housing numbers are no longer to be treated as minimums. Instead H1 notes that “Local authorities can test higher numbers through their development plan documents provided that they are consistent with the principles of sustainable development set out in PPS1 and tested through sustainability appraisal and Habitats Regulations Assessment. The next review of this RSS also needs to review the current levels of housing and a higher rate of provision than 32,700 dwellings per annum is likely to be necessary to meet the strategic needs in the region.”

4.9.3 Alongside Policy CC7’s clause that “The phasing of development will be closely related to the provision of infrastructure”, this helps to set a reasonably certain framework for infrastructure providers, and help ensure that new development is accompanied by adequate supporting infrastructure.

Residual impacts

4.9.4 The residual impacts of the Final South East Plan’s approach to infrastructure will be in the form of changes to water quality, water resources, provision of open space etc. These, and proposed mitigation measures, are discussed in subsequent chapters.
5 Air quality and causes of climate change

5.1 Introduction

5.1.1 Air pollution can affect the health of people, animals and plants. It can promote eutrophication of water, leading to excessive plant growth and decay. It can also damage buildings and materials and cause odour problems. The indirect health impacts of poor air quality, particularly from particulate matter, are significant: in the UK, up to 24,000 people per year may have their deaths ‘brought forward’ by air pollution and a health impact assessment of the Government’s Air Quality Strategy suggests that the strategy will save thousands of life-years annually46. Securing the Future: The UK Sustainable Development Strategy (2005) noted that it is often those living in deprived areas that suffer the higher levels of pollution.

5.1.2 Climate change, caused in large part by the emission of greenhouse gases (including CO₂) will worsen droughts in the summer, floods in winter, and extreme events such as storms. Sir Nicholas (now Lord) Stern has suggested that, worldwide, climate change could reduce GDP by 20% unless it is actively tackled now47.

5.2 What’s the policy context?

5.2.1 At the European level the Air Quality Framework Directive (96/62/EC) sets a strategic framework for tackling air quality consistently by setting European-wide limit values for twelve air pollutants in a series of daughter directives. The Government’s Air Quality Strategy (2000), required under the Environment Act (1995), sets out plans to improve and protect air quality in the UK. It considers ambient air quality only, leaving occupational exposure, in vehicle exposure and indoor air quality to be addressed separately. Local authorities have statutory duties for local air quality management (LAQM) under the Environment Act 1995. They are required to carry out regular reviews and assessments against 8 of the national objectives, but not that for ozone as it is affected by pollutants from outside the UK. Where it is found that objectives are unlikely to be met, authorities must designate air quality management areas (AQMAs) to tackle the problem. Air quality is also tackled by local authorities through their responsibilities for land use planning, local transport and controlling industrial pollution sources. The two other major actors with regard air quality management in the UK are the Environment Agency, which is responsible for the regulation of emissions from industrial installations and processes, and the Highways Agency, which is responsible for managing the country’s motorways and trunk roads. In terms of climate change, the

recent Climate Change Act\textsuperscript{48} will put into statute the UK’s targets to reduce carbon dioxide emissions through domestic and international action by at least 60 per cent by 2050 and at least 26 per cent by 2020, against a 1990 baseline.

### 5.3 What are the key sustainability objectives we need to consider?

5.3.1 Key objectives from the IRF include:

- To reduce air pollution and ensure air quality continues to improve
- To address the causes of climate change through reducing emissions of greenhouse gases
- To increase energy efficiency, security and diversity of supply and the proportion of energy generated from renewable sources in the region

### 5.4 What’s the situation now?

5.4.1 The Evaluation of the Air Quality Strategy (Defra, 2005)\textsuperscript{49}, indicated that, between 1990 and 2001, policies have resulted in a marked decline in concentrations of air pollutants, with an estimated reduction of more than 4,200 premature deaths and 3,500 hospital admissions per annum. The evaluation found that strategy objectives are or will be met on time in most parts of the UK. However, projections show that there will still be exceedences of the objectives for nitrogen dioxide, particulate matter and ozone in some major urban areas and alongside busy roads in particular.

5.4.2 The SA of the Draft South East Plan identified existing problems with both air pollution and greenhouse gas emissions:

“Poor air quality in the region is principally related to transport impacts... 2003 saw the highest number of [air] pollution days for all four of the sites for which data was available. There is no data on regional greenhouse gas emissions, although UK-wide emissions fell between 1991-2003. Current UK performance on GHG emissions is, however, under some scrutiny and appears not to be making progress against planned reductions. The region has a target to reduce GHG emissions by 60% by 2050.”

5.4.3 Since then, the Annual Monitoring Reports suggest that air pollution seems to have worsened whilst greenhouse gas emissions seem to have decreased slightly and renewable energy production has increased significantly – see Table 16.

\textsuperscript{48} http://www.opsi.gov.uk/acts/acts2008/ukpga_20080027_en_1

### Table 16: Air quality and climate change indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Pre-2003</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days when air pollution is moderate or high (rural and urban)</td>
<td>42 rural, 13 urban</td>
<td>137</td>
<td>165</td>
<td></td>
<td></td>
<td>Establish Air Quality Action Plans in areas unlikely to meet national air quality objectives</td>
</tr>
<tr>
<td>Emissions of basket of greenhouse gases from energy consumption, transport, land use and waste management (kilotonnes)</td>
<td>Slight increase since 1999</td>
<td>69,389</td>
<td>67,016</td>
<td></td>
<td></td>
<td>Reduce by 60% by 2050</td>
</tr>
<tr>
<td>Per capita CO2 emissions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Gas use per capita, KWh</td>
<td>-</td>
<td>20.78G Wh/1000 households</td>
<td>6691</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity use per capita, KWh</td>
<td>-</td>
<td>5.2GWh/1000 households</td>
<td>2068</td>
<td></td>
<td></td>
<td>Install 620MW by 2010, 895MW by 2016 and 1750MW by 2026</td>
</tr>
<tr>
<td>Renewable energy electricity capacity (MW)</td>
<td>73</td>
<td>294</td>
<td>334</td>
<td>343</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity output from renewable sources (GWh)</td>
<td>-</td>
<td>1209</td>
<td>1218.3</td>
<td>2050.4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.4.4 The following larger Air Quality Management Areas (AQMAs) have been put in place, as well as many smaller AQMAs comprising only a few roads, typically in town centres:

- Brighton & Hove – much of central Brighton and Hove
- Dover: Dover Docks (SO₂), A20 in Dover
- Eastleigh: M3 J12-14
- Fareham: Fareham centre
- Maidstone: M20
- Portsmouth: 13 AQMAs
- Reading: 6 AQMAs, most quite small
- Reigate and Banstead: much of Horley, and Junctions 8 to 9 of the M25
- Runnymede – M25 between J10 and J13
- Rushmoor: M3 Junctions 4 to 4a
- Sevenoaks: M20, M25, M26, A20(T), Riverhead, Swanley Town Centre etc.
- Slough: M4 and A4
- Southampton: 6 AQMAs
- Winchester: Winchester town centre

5.4.5 The HRA / AA of the Draft South East Plan noted that existing air pollution levels are negatively affecting a range of sensitive habitats.

5.4.6 The South East emitted 18.3 million tonnes carbon equivalent of CO₂ in 2005, the highest amount of any region, although per capita residents of the region emitted 2.3 tonnes, slightly below the average rate for England. Around 36% of the region’s CO₂ emissions were from industry and commerce, 30% from domestic sources, and 34% from road transport. These figures do not include other forms of transport (air, rail, shipping). Greenhouse gas emissions in the UK are still increasing: overall they rose by 0.6% in 2006, and CO₂ emissions rose by 1.2%.

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50 See: [http://www.airquality.co.uk/archive/laqm/laqm.php](http://www.airquality.co.uk/archive/laqm/laqm.php)

51 Obviously emissions from one English region only cause an immeasurably small proportion of the impacts on that region.


5.5 What will be the situation without a plan?

5.5.1 Research by AEA Technology suggests that background air quality throughout the UK will improve significantly over the next 10-15 years, primarily as a result of tightening Euro emission standards for cars and lorries and cleaner energy generation\textsuperscript{54}. The model used does not include the higher housing figures being proposed in various RSSs, nor recent government proposals for new power stations (for instance it assumes that the number of fossil fuel burning power stations will decrease from 23 in 2005 to 12 in 2010 and 5 in 2020, which is unlikely given the expected support that the forthcoming National Policy Statements will give to the construction of new fossil fuel power stations). Even if the new stations use ‘clean coal’ technology as proposed, these will still have some impact on air quality.

5.5.2 A recent Defra study\textsuperscript{55} also suggests that assumptions about vehicle emissions should add 15\% to Euro emission standards to take account of real-world effects such as poor maintenance, low tyre pressure, poor driving, and increasing use of air conditioning. Defra’s Air Quality Expert Group (2007) “\textit{recommends that local authorities, and any other users of the future-year adjustment factors, currently provided by Defra to adjust monitoring data, should exercise caution, as actual decreases in NO\textsubscript{2} concentrations at some sites may be considerably smaller than those calculated using these adjustment factors}”\textsuperscript{56}.

5.5.3 Nevertheless, one can assume that, in most parts of the region, future air quality to 2020 / 2025 will be better than today’s. After that, air quality is expected to get worse because the increase in vehicle use will outweigh technical improvements; and because no further significant technical improvements are anticipated. In the longer term, shipping and aircraft emissions are also expected to increase significantly\textsuperscript{57}.

5.5.4 The SAs for the RSSs of adjacent regions suggest that air quality and greenhouse gas emissions are expected to worsen because of additional housing and transport. If permission is granted for a third Heathrow runway, this would fill up some of the ‘gap’ in NO\textsubscript{x} emissions opened up by improved car emissions, leaving NO\textsubscript{x} levels around the


\textsuperscript{57} J. Stedman and S. Grice, pers. comm., June 2008.
airport at just about the European standard for human health of 40µg/m³. Expansion of Gatwick would have similar impacts.

5.6 What would have been the situation under the Draft South East Plan?

5.6.1 Key policies in the Draft South East Plan that were likely to increase air pollution and/or emission of greenhouse gases were:

- H1 Housing Provision, which required provision of 28,900 additional homes per year to 2026.
- The Implementation Plan, which listed a wide range of improvements to the rail and (particularly) road infrastructure.
- T9 Airports, which supported the development of Gatwick and Heathrow within currently agreed levels of growth, and encouraged enhanced roles for Southampton and Kent International Airports as airports of regional significance.
- T10 Ports and Short Sea Shipping, which promoted the development of landside infrastructure to maintain and enhance the role of the region’s ports.

5.6.2 Key policies that aimed to minimise or counter these impacts were:

- CC2 Climate Change, which promoted measures to mitigate and adapt to the forecast effects of climate change, particularly through greater resource efficiency (e.g. reducing the need to travel, improved energy efficiency in new and existing buildings, behavioural change).
- NRM7 Air Quality, which required local authorities and others to “seek an improvement in air quality” and “help achieve improvements in local air quality”.
- Policies EN1 – EN6, which promoted energy efficiency and renewable energy generation.
- Many of the plan policies which focused on reducing the need to travel, careful location of development, and promotion of behavioural change.

5.6.3 None of the assessments of the Draft South East Plan formally weighed up whether the increased emissions from the development-oriented policies would be balanced out by the protective policies. However, the overall implication of the assessments was that they would not.

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5.6.4 The Roger Tym Report calculated that, with no changes in Building Regulations after 2006, the annual gross domestic energy use of 28,900 new homes would be 1.783MT; this would increase CO₂ emissions by 8% in 2026 compared with 2003. Clearly this is a worst-case scenario, as the Code for Sustainable Homes and Government plans for ‘zero carbon homes’ from 2016 would reduce this number significantly. They calculated that the embodied energy used to build 28,900 homes would be 1.618MT, and that “Both transport and industry are likely to increase CO₂ emissions considerably, given that together they made up two thirds of emissions in 2003”.

5.6.5 Using the ODPM Sustainability Impacts Model, they calculated that NOₓ emissions from primary energy use would be 996 tonnes by 2026, although they expected energy efficiency and decreasing energy use to lessen these impacts. They predicted that transport corridors unable to cope with the additional traffic from 28,900 homes would include the A43 in Central Oxfordshire, the motorways in Western Corridor and London Fringe, the M3 and M27 in South Hampshire, the A27 in the Sussex Coast, and the M2/A2 at the Kent Thames Gateway. Air pollution levels around these roads could be expected to rise significantly due to congestion.

5.6.6 The SA of the Draft South East Plan echoed these findings: “The policies on infrastructure are... at least in part targeted at reducing actual and potential issues of congestion as are policies aimed at achieving modal shift in freight and passenger transport. The issue of air quality is partially tackled by the Regional Policy Framework. Without policy interaction from Central Government it seems likely that the Sub-Regional Strategies will increase emissions from transport both of goods and people.”

5.6.7 Furthermore, “The increase in household and increase in energy use and use of private cars associated with this are likely to lead to increased emissions of CO₂... Climate change impacts are partially tackled via regional policies on sustainable design and construction and also infrastructure... However, the opportunity to explore the threats and opportunities arising from the sub-regional impacts of climate change has largely been ignored... The Sub-Regional Strategies are likely to lead to an increase in GHG emissions in both the short and long-term”.

5.6.8 Particular problem areas likely to arise as a result of the Draft South East Plan included:

- Increased traffic in areas that are already AQMAs, for instance Brighton and Hove, Fareham, Portsmouth, Reading and Southampton.
- The A34 near Oxford. This is one of the busiest stretches of non-motorway road in the country, and the section that acts as a western ring road to Oxford is already an AQMA. Proposed growth in Cherwell, Oxford and South Oxfordshire would add 29,000 homes to the three districts.
5.7 What would have been the situation under the Draft Proposed Changes?

5.7.1 The policies in the Draft Proposed Changes likely to increase air pollution and/or emission of greenhouse gases were:

- H1 Housing Provision, which required provision of an additional 33,125 (almost an extra 15%) more homes per year to 2026.
- T9 Airports, which was revised so that local authorities must “take account of airport operator masterplans”, indirectly supporting increased air travel.
- EKA5 The Gateway Role, which further supported growth at Kent International Airport, “provided proposals satisfy policy criteria for the environment, transport and amenity”.
- CO5 Transport, which promoted a coordinated approach to transport management in Central Oxfordshire, and noted that “Access to Oxford from major towns in the sub-region and from neighbouring sub-regions will be a priority”.

5.7.2 Key additional or changed policies that aim to minimise or counter these impacts are:

- CC1 Sustainable Development, which listed “reducing greenhouse gas emissions associated with the region” as one of five principal objectives of the plan.
- An additional clause in CC4 Sustainable Design and Construction which noted that Local planning authorities should promote best practice in sustainable construction and help to achieve the national timetable for reducing carbon emissions from residential and non-residential buildings. There will be situations where it could be appropriate for local planning authorities to anticipate levels of building sustainability in advance of those set out nationally, for identified development area or site-specific opportunities. When proposing any local requirements for sustainable buildings, local planning authorities must be able to demonstrate clearly the local circumstances that warrant and allow this and set them out in Development Plan Documents.

5.7.3 The SA of the Draft Proposed Changes concluded that particular future air pollution problem areas would be at:

- Dover: an increase from 6,100 to 10,000 homes in an AQMA
- DERA Chertsey site at Runnymede: 2,500 homes in an AQMA
- Reigate and Banstead: an increase from 7,740 to 11,240 homes near Gatwick airport
- Cherwell, Oxford and South Oxfordshire: 7,340 more homes to an area with already significant likely air pollution problems
• The SDA at Fareham, in greenfield land to the north of the M27.

5.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

5.8.1 The SA recommended that the RSS policy on air quality – renumbered NRM9 – should apply to ship and air transport as well as road transport; refer to impacts on sites of international nature conservation importance; require developments with significant air pollution to reduce air pollution from other sources by an equivalent amount; and state that improvements in air quality by one sector should not be used to allow another sector to increase their pollution. It recommended that the Strategic Development Areas at Chertsey (Runnymede) and Fareham be removed from policy H1, or that development in those locations should be made conditional on national air quality standards being achieved and maintained. Development at Dover, authorities near Heathrow and Gatwick Airports, and Cherwell / Oxford / South Oxfordshire should also be made conditional on air quality standards being achieved and maintained. It also recommended that Policy CC4 Sustainable Design and Construction should be written more proactively and positively.

5.8.2 The Secretary of State’s response to these recommendations is set out below.

<table>
<thead>
<tr>
<th>SA recommendation / comments</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ship and air transport</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The air quality policy should specifically apply to ship and air transport as well as road transport</td>
<td>Current EU carbon trading schemes also already apply to the aviation industry.</td>
<td></td>
</tr>
<tr>
<td>Offsetting</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The air quality policy should

- require developments with significant air pollution (including road, port and airport-related developments) to reduce air pollution from other sources by an equivalent amount
- state that improvements in air quality by one sector should not be used to allow another sector to increase their pollution
- require all local authorities to balance out the air pollution emissions of any new development with corresponding reductions in air pollution elsewhere, to be “pollution neutral” such that there is no net increase.

Reducing the impact of air travel and shipping and not allowing AQ improvement/decrements to be traded between sectors would result in a reduction in growth within these two industries, which is contrary to current Government policy.

The policy already sets out a clear steer that improvements in air quality should be sought. It also says that LDDs and development control can help to achieve improvements in local air quality through, amongst other things “reducing the environmental impacts of transport through congestion management, and support the use of cleaner transport fuels”.

We are also concerned as to how offsetting would work in practice – in particular how would local authorities implement this policy, given that their main levers to influence new development are through the planning system.

This is also a recommendation made to the draft North East Plan (which in turn took it from the 2006 draft South East Plan HRA). In the North East subsequent changes were made to require that strategies, plans and programmes and planning proposals should contribute to sustaining the current downward trend in air pollution in the region. Subsequent work on Further Proposed Changes concluded that this would have no adverse effect on site integrity. Policy NRM9 of the draft South East Plan requires local authorities and other to seek an improvement in air quality, which would seem to achieve the same result as the recommendation.

NRM9 has been rephrased so that the initial sentence now reads:
“Strategies, plans and programmes and planning proposals should contribute to sustaining the current downward trend in air pollution in the region. This will include a seeking of improvements in air quality.”

<table>
<thead>
<tr>
<th>Less clean vehicles</th>
<th>NRM9 has been rephrased so that the initial sentence now reads:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>“Strategies, plans and programmes and planning proposals should contribute to sustaining the current downward trend in air pollution in the region. This will include a seeking of improvements in air quality.”</td>
</tr>
</tbody>
</table>

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April 2009
<table>
<thead>
<tr>
<th>Restrict or exclude less clean vehicles from certain road areas.</th>
<th>Not clear on how this would be implemented or whether it is an issue for RSS. If the SA suggests that the South East should set up Low Emissions zones like those that have just begun operating in London, this would require a significant amount of agreement, coordination and investment and is therefore not considered suitable for inclusion within the Proposed Changes stage of an RSS.</th>
</tr>
</thead>
</table>

### Nature conservation

<table>
<thead>
<tr>
<th>The air quality policy should refer to impacts on sites of international nature conservation importance</th>
<th>NRM9 (Air Quality) has been amended to state: “Considering the potential impacts of new development and increased traffic levels on internationally designated nature conservation sites, and adopt mitigation measures to address these impacts.” This is in line with the North East example quoted in the report.</th>
</tr>
</thead>
</table>

### Development in certain areas / sites

<table>
<thead>
<tr>
<th>We recommend that the Development Areas at Chertsey (Runnymede) and Fareham be removed from policy H1, as both would exacerbate already significant traffic and air pollution impacts in those localities. Alternatively, development in those locations should be made conditional on national air quality standards being achieved and maintained. Development at Dover, authorities near Heathrow and Gatwick Airports, and Cherwell / Oxford / South Oxfordshire should also be made conditional on air quality standards being achieved and maintained.</th>
<th>Comment is noted, and a sentence is added to the policy accordingly</th>
</tr>
</thead>
</table>

### Sustainable design and construction

| "Development at Chertsey should ensure that the national air quality standards are not breached" LF6 |---|
We recommend that Policy CC4 Sustainable Design and Construction should read more proactively and positively than at present ("Where there are demonstrable and locally specific opportunities to deliver development which incorporates environmental standards higher than level 3 of the Code for Sustainable Homes these should be identified in Local Development Documents and underpinned with evidence that such standards are deliverable.")

It is not the intention of the policy to limit higher standards — the policy encourages higher local standards that have been fully tested and consulted upon. This approach is felt to be better than the application of an untested blanket region-wide standard being adopted through a spatial planning document, which risks adding complication and delay to the development control system and unnecessarily undermining other sustainability objectives — in particular the need for new homes.

The reasoned justification to Proposed Changes to this policy sets out why the approach in Policy CC4 has been taken. Government is pursuing a two tier approach to the tightening up of standards:

- Government is working on a progressive ramping up of national building and other regulations to require new development to meet higher standards — in particular the push to make all new homes ‘zero carbon’ by 2016. This will cover all new homes.
- It also recognises that opportunities will come forward at a local level where higher standards can be achieved than those set out in current building regulations, particularly in large scale development where economies of scale can increase opportunities.

This approach is considered to offer a greater degree of certainty to developers (both volume house builders and local builders) and, where local planning policy encourages higher standards in particular new development it has the benefit of being tested for evidence of deliverability.

CC4 amended to:

“When proposing any local requirements for sustainable buildings, local authorities must be able to demonstrate clearly the local circumstances that warrant and allow this and set them out in Development Plan Documents.”

The supporting text has been augmented to highlight that there are already local examples of this approach (e.g. the Milton Keynes zero carbon targets and Woking Borough Council’s work on decentralised energy systems), and refers to PPS1’s statement that there will be situations where it could be appropriate for local planning authorities to expect higher levels of building sustainability than prevailing standards.”
5.9 What will be the situation under the Final Revisions / South East Plan?

**Significant changes**

5.9.1 The Final Revisions include some relatively minor changes regarding climate change:

- Policy CC2 has been updated to reflect the Government’s new CO2 reduction targets of 80%
- Policies RE6, and T9 have been updated to take account of Government decision to support a third runway at Heathrow
- Policy NRM 3 (water resources development) was changed to state that other options for strategic water resources development could include desalination schemes and bulk transfer of water. Both are very energy-intensive ways and would increase greenhouse gas emissions. However the Environment Agency believes that these options should remain as options for water supply in NRM3

5.9.2 Natural England has recommended revisions to Policy NRM9 on air quality which would
1. support low emission zones, 2. support offsetting of air pollution by use of local agreements with developers, and 3. require assessment of air pollution impacts of new development on internationally designated sites. The third point has been incorporated into the RSS but not the first two.

**Residual impacts**

5.9.3 The Roger Tym Report calculated CO2 and NOx emissions under 33,000 new homes per year (slightly more than that the Final Revisions, which are for 32,700). They found that, with no changes in Building Regulations after 2006, the annual gross domestic energy use of 33,000 new homes would be 2.002MT: 12% higher than that of 28,900 homes and 9% higher than in 2003. Again, this is likely to be a worst-case scenario. They calculated that the embodied energy used to build 33,000 homes would be 1.848MT, 14% higher than for 28,900 homes. Clearly, transport and industrial emissions from more people would also increase CO2 emissions. They calculated that NOx emissions would be 1121 tonnes per year, 13% higher than under the scenario of 28,900 homes.

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59 “We feel that it is important that the reference to [desalination and bulk transfers of water] is retained. The water resources planning process is extremely rigorous. All options are investigated by the water companies and assessed by the Environment Agency. These include demand management and supply side options. The environmental and social impact of an option includes carbon and energy costs. Detailed figures show that the carbon or energy costs of a reservoir such as Broad Oak and a desalination option may be comparable over several years. This is because the transfer and pumping of water from the reservoir can be significant and the fact that a desalination scheme could be more local to a demand centre. In both cases the assessment needs to consider the relative need, frequency and duration of preferred operation. Overall, it is essential a wide range of options remain under consideration and should not be dismissed too early in the planning process. To illustrate this further the Brighton Chalk Block (the aquifer) may not have sufficient capacity to supply an additional requirement of 10,000 dwellings at SDA at the Shoreham Harbour. The development SDA would have to rely on alternatives such as desalination at peak demand times. Such options would have to demonstrate least cost to the environment and public purse.” (Environment Agency, pers. comm., March 2009)
5.9.4 Particular air pollution issues remaining under the Final Revisions are:

- Dover (10,100 homes): The Dover Docks AQMA is designated to SO₂ from shipping activities. The sulphur content of shipping fuel is expected to fall after 2010 due to European Directive 2005/33/EC which limits sulphur content to 1.5% (from 4.5% currently). On the other hand, a significant increase in shipping activity at Dover Docks would counteract some of these improvements. Significant increases in car and lorry traffic in Dover town centre due to the proposed 60% increase in housing growth in the town and increased emphasis on its tourism/transport role could also exacerbate problems with NOx pollution.

- Reigate and Banstead: H1 housing numbers for Reigate and Banstead have been reduced since the Proposed Changes from 11,240 to 10,000, and policy LF3 notes that “Flexibility will be allowed for Reigate and Banstead to vary the provision levels between London Fringe and Gatwick subject to maximising the capacity of the Redhill and Reigate hub for sustainable development”. The District's Core Strategy suggests that much of its new housing will go to Horley, near Gatwick. However, Horley is already an AQMA, and increased activity at Gatwick may well counterbalance air quality improvements from tightening Euro standards. Significant housing is also proposed near the airport by Crawley (7,500), Horsham (13,000) and Mid Sussex (17,100).

- Cherwell, Oxford and South Oxfordshire: The RSS will add 7,340 homes to an area with already significant likely air pollution problems.

5.10 Conclusions on air quality and causes of climate change

5.10.1 Although the RSS sets housing numbers, renewable energy targets and transport policies, it has little direct influence over the key causes of air pollution and climate change. Government policy dictates many of the determinants of air quality and climate change: for example, it decides airports and shipping policy, Building Regulations, fuel taxes, and the policy context for energy generation. Individuals’ behavioural choices are also key to air quality and climate change: they affect how vehicles are used, what goods they buy and where the goods come from, how the housing stock is managed etc., and thus the emissions from those sources. Overall, the RSS is likely to lead to negative air pollution and climate change impacts: it would be impossible for the RSS not to have such impacts, given that its remit is to set a context for development (notably of housing) but does not allow it to control the developments’ air pollution and climate change impacts.

<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Final South East Plan</th>
<th>Final South East Plan plus other plans, programmes etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short/medium term (to about)</td>
<td>The policies in the RSS have different impacts on air quality and climate change. Those on housing would lead to negative</td>
<td>Air quality and emissions of greenhouse gases expected to improve overall due to tightening vehicle standards. CO₂</td>
</tr>
</tbody>
</table>
Impacts, decreasing over time as Building Regulations become tighter: up to 2.1MT CO₂ emissions per year from new homes, plus 1.85MT embodied energy in the homes. Those on transport aim to reduce air pollution and climate change impacts, in part by siting developments so that people have easy access by walking, cycling and public transport; however in practice these are likely to at best reduce negative impacts rather than avoid them altogether. Those on renewable energy would, in the longer term, help to reduce the climate change impacts of energy generation. Policy NRM9 on air quality aims to ensure that the RSS’s negative impacts do not outweigh the background improvements in air quality expected as a result of tightened vehicle standards.

Air quality expected to get worse because growth in vehicle use will outweigh benefits of improved vehicle technology; no further significant improvements in vehicle technology are expected. Shipping and air transport emissions will also increase, as will air pollution emissions due to other spatial plans.

<table>
<thead>
<tr>
<th>2020</th>
<th>2020)</th>
<th>Long term (beyond 2020)</th>
<th>Areas likely to be significantly affected</th>
<th>Permanent vs. temporary</th>
<th>Secondary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impacts, decreasing over time as Building Regulations become tighter: up to 2.1MT CO₂ emissions per year from new homes, plus 1.85MT embodied energy in the homes. Those on transport aim to reduce air pollution and climate change impacts, in part by siting developments so that people have easy access by walking, cycling and public transport; however in practice these are likely to at best reduce negative impacts rather than avoid them altogether. Those on renewable energy would, in the longer term, help to reduce the climate change impacts of energy generation. Policy NRM9 on air quality aims to ensure that the RSS’s negative impacts do not outweigh the background improvements in air quality expected as a result of tightened vehicle standards.</td>
<td>Air quality expected to get worse because growth in vehicle use will outweigh benefits of improved vehicle technology; no further significant improvements in vehicle technology are expected. Shipping and air transport emissions will also increase, as will air pollution emissions due to other spatial plans.</td>
<td>An increasing proportion of housing stock will be very energy efficient, reducing per capita emissions of air pollution and greenhouse gas emissions. However in the long term more people will be living in the region, increasing total emissions.</td>
<td>Areas likely to be significantly affected by the RSS were mostly along the south coast (e.g. Brighton and Hove, Portsmouth, Southampton). Additional areas likely to be significantly affected are Chertsey, Fareham, Dover, near Gatwick and Heathrow Airports, and along the A34.</td>
<td>Air quality itself can be improved relatively quickly by removing the causes of pollution. However its secondary impacts – particularly on human health and biodiversity – can be permanent.</td>
<td>Worsening air quality would negatively affect human health (e.g. poor air quality can lead to respiratory health problems), biodiversity (e.g. acidification of habitats), and water quality. Climate change caused by emissions of greenhouse gases, and associated flooding, would affect human health and wellbeing, the economy, biodiversity and transport.</td>
</tr>
</tbody>
</table>
6 Biodiversity and open space

6.1 Introduction

6.1.1 **Biodiversity** is the term given to the diversity of life on Earth, including the plant and animal species that make up our wildlife and the habitats in which they live. Biodiversity is integral to the functioning of ecosystems and these, in turn, provide ‘ecosystem services’ which include food, flood management, pollination and the provision of clean air and water.

6.1.2 Attractive areas of open space can also help to make walking and cycling more attractive, with attendant health benefits; promote mental wellbeing; help to establish local identity and a sense of place; help to reduce air pollution; and reduce temperatures at a time of global warming.\(^{60}\)

6.1.3 The provision of publicly accessible open space can often go hand in hand with the conservation and enhancement of biodiversity. However conflict between these objectives may occur where, for instance, people or their dogs disturb sensitive birds, for instance at Thames Basin Heaths Special Protection Area.

6.2 What’s the policy context?

6.2.1 The EU Sustainable Development Strategy, adopted in 2006, includes an objective to halt the loss of biodiversity by 2010.\(^{61}\) The UK is also a Party to the Convention on Biological Diversity (CBD), a principal objective of which is the conservation of biodiversity. Commitment to the CBD led to the preparation of the 1994 UK Biodiversity Action Plan (UK BAP), the overall goal of which is to conserve and enhance biodiversity within the UK and to contribute to efforts to conserve global biodiversity. The UK BAP identifies our most threatened biodiversity assets and includes action plans for the recovery of priority species and habitats.\(^{62}\) A Biodiversity Strategy for England was subsequently published in 2002 and includes the broad aim that planning, construction, development and regeneration should have minimal impacts on

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62 For further information on the UK BAP see [http://www.ukbap.org.uk/](http://www.ukbap.org.uk/)

biodiversity and enhance it wherever possible\(^64\). Government guidance emphasises that the Government’s objectives for planning include ensuring that biodiversity is conserved and enhanced as an integral part of social, environmental and economic development, so that policies and decisions about the development and use of land integrate biodiversity with other considerations\(^65\).

6.2.2 The Natural Environment and Rural Communities Act 2006 placed a duty on public authorities to have regard to the conservation of biodiversity in exercising their functions. The duty aims to raise the profile and visibility of biodiversity, clarify existing commitments with regard to biodiversity, and make it a natural and integral part of policy and decision-making\(^66\). Finally in terms of policy context, agriculture and forestry have a major influence on the region’s biodiversity; however, these are outside the scope of the planning system.

6.3 What are the key sustainability objectives we need to consider?

6.3.1 Key objectives from the IRF include:

- To conserve and enhance the region’s biodiversity
- To improve accessibility to all services and facilities including the countryside and the historic environment

6.4 What’s the situation now?

6.4.1 The SA of the Draft South East Plan suggested that biodiversity in the region had decreased significantly since 1970, and that biodiversity was a key problem/constraint at the sub-regional or local level. Since then, the trends regarding biodiversity in the region appear to be mixed: wild bird populations continue to decline and designated biodiversity sites are still being damaged or destroyed, but the condition of SSSIs is improving – see Table 17.


\(^65\) Ibid

Table 17: Biodiversity indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Pre-2003</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population of wild birds (index 100 in 1994)</td>
<td>decline of about 90% since 1970s</td>
<td>97.2</td>
<td>96.6</td>
<td></td>
<td></td>
<td>By 2010 achieve a sustained increase in population</td>
</tr>
<tr>
<td>% Sites of Special Scientific Interest in favourable or unfavourable recovering condition</td>
<td>64.97</td>
<td>72.48</td>
<td>79.6</td>
<td>80.17</td>
<td></td>
<td>95% in favourable or recovering condition by 2010</td>
</tr>
<tr>
<td>Area designated sites damaged or destroyed by development (ha)</td>
<td>3.24</td>
<td>4.758</td>
<td>1.432</td>
<td>4.533</td>
<td></td>
<td>No further loss, damage or deterioration of SSSIs</td>
</tr>
<tr>
<td>Extent of ancient woodlands (ha)</td>
<td>131,130</td>
<td>-</td>
<td></td>
<td>235,095 (?)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6.4.2 A 2007 study of publicly accessible open space in the region showed that:

- 20% of households in the region have access to a site of at least two hectares within 300 metres
- 66% of all households in the region have access to a site of at least 20 hectares within 2 kilometres
- 77% of all households in the region have access to a site of at least 100 hectares within 5 kilometres
- 46% of all households in the region have access to a site of at least 500 hectares within 10 kilometres
- 10% of all households in the region do not have access to accessible natural greenspace within the above definitions

6.4.3 Households in Oxfordshire and northern Buckinghamshire are particularly likely to be deficient in access to open space - see Figure 467.

6.5 What will be the situation without the plan?

6.5.1 The area of designated sites damaged or destroyed by development has progressively increased in recent years. Given that levels of housing completions on previously developed land are likely to remain high in the short-term but begin to fall off in the medium- to longer-term as the supply of land in urban areas declines, it is likely that pressure on biodiversity will continue into the future regardless of the plan. In addition, regardless of the level or distribution of growth in the region, climate change will continue to exert an increasingly strong influence on the region's biodiversity, particularly in relation to estuarine and coastal sites.

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69 The indicator on wild birds is very much linked to agriculture which, together with forestry, is not within the remit of the planning system.
6.6 What would have been the situation under the Draft South East Plan?

6.6.1 Key policies in the Draft South East Plan that were likely to increase pressure on biodiversity were:

- H1 Housing Provision, which required provision of 28,900 additional homes per year to 2026.
- T10 Ports and Short Sea Shipping, which promotes ‘enhancement’ of the region’s main ports, and development of landside infrastructure to support them.

6.6.2 Key policies that aimed to minimise or counter these impacts were:

- NRM4 Conservation and Improvement of Biodiversity, which stated that local authorities and others “shall avoid a net loss of biodiversity, and actively pursue opportunities to achieve a net gain”, essentially by protecting sites of nature conservation interest.

6.6.3 Overall, despite the protection of policy NRM4, the Draft South East Plan was still expected to lead to significant impacts on biodiversity. The SA of the Draft South East Plan concluded that “Impacts on key sustainability issues such as... biodiversity are still of significant concern... The sub-regional strategies raise a series of common concerns on issues such as... biodiversity (especially Natura 2000 sites)”. The HRA / AA for the Draft South East Plan was unable to conclude that the Draft South East Plan would not have a significant impact on the integrity of sites of national / international biodiversity importance due to likely changes in water levels, water quality, recreational and other forms of disturbance.

6.6.4 Areas likely to be significantly affected as a result of the draft South East Plan included:

- The Solent SPA / Ramsar, due to wastewater from South Hampshire authorities affecting water quality.
- The Swale SPA / Ramsar, Medway Estuary & Marshes SPA/Ramsar, and Thames Estuary & Marshes SPA/Ramsar, due to development in the Thames Gateway, including 16,300 homes at Medway, 10,800 homes at Swale, and 10,200 homes at Canterbury districts, and expansion / intensification of port activities at the Thames ports.
- Portsmouth Harbour SPA / Ramsar, due to development of 14,700 new homes at Portsmouth.

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70 Portsmouth is tightly constrained by sites of international nature conservation to the east and west, the coast to the south, the district boundary to the north. Much of its middle part (around the M27/A27) is flood zone 3. The Core Strategy suggests that Portsmouth has few large areas of open space, and that no further significant new areas of open space will be provided. The Core Strategy Issues and Options report suggests that most of the new development will go to Tipner and Port Solent. These are...
• The Solent and Southampton Water SPA/Ramsar, River Itchen SAC, and Solent Maritime SAC, due to water pollution and recreational disturbance from development of 16,300 homes at Southampton
• The Adur Estuary SSSI, due to the impact of 10,000 homes at Shoreham Harbour

6.7 What would have been the situation under the Draft Proposed Changes?

6.7.1 The Draft Proposed Changes included the following key changes likely to increase pressure on biodiversity:

• H1 Housing Provision required provision of an additional 33,125 (almost an extra 15%) more homes per year to 2026.
• LF4A Strategic Development at Former DERA site, Chertsey promoted mixed use development at the site, noting that “provision of avoidance and mitigation measures to protect the Thames Basin Heaths SPA... should be tested through LDDs”
• SCT3 Management of Existing Employment Sites and Premises promoted employment development at a range of specified sites in Sussex.
• SP5 Green Belts maintained the broad extent of the region's Green Belts but proposed 'selective reviews' north east of Guildford, possibly south of Woking, south of Oxford, at the former DERA site at Chertsey, and around Redhill-Reigate. The policy on strategic gaps was removed.

surrounded by the Portsmouth Harbour SPA/Ramsar. A bridge to the Port Solent would probably have significant impact on the intertidal mudflats and birds of the SPA/Ramsar.
6.7.2 Key changes that aimed to minimise or counter these impacts were:

- NRM5 (formerly NRM4) Conservation and Improvement of Biodiversity, which was strengthened to better protect sites of international nature conservation importance from indirect impacts, and to integrate with the Green Infrastructure policy.

- NRM6 Thames Basin Heaths Special Protection Area, which was added specifically to deal with development pressures on the heaths, in response to the findings of the HRA / AA of the Draft South East Plan.

- CC8 Green Infrastructure, a new policy which stated that local authorities and partners should work together to plan, provide and manage connected and substantial networks of accessible multi-functional green space; that they should be managed with the primary aim of maintaining and improving biodiversity, but should also deliver recreational and cultural benefits; and that this will be particularly important in the areas identified for growth and areas close to sites of international ecological importance. This would have significant benefits for nature conservation in the region, including adaptation to climate change; and generally to people’s health and wellbeing due to increased access to open space. However, given the difficulties being faced by local authorities in providing Suitable Alternative Natural Green Space (SANGS) to mitigate for impacts on the Thames Basin Heaths SPA, authorities would probably not be able to provide significant areas of new open space for green infrastructure, although they should be able to help to improve the management of existing open space.

- C5 Managing the Rural-Urban Fringe, which aimed to ensure that, where urban extensions are planned, early consideration is given to landscape and biodiversity enhancement, woodland management, recreation provision and access routes.

6.7.3 The SA of the Draft Proposed Changes found that several of the proposed housing allocations in H1 were likely to have direct impacts on biodiversity and open space:

- Development of 2500+ homes at the DERA site at Chertsey (Runnymede), directly adjacent the Thames Basin Heaths SPA.

- Development of 5000+ homes at Bordon/Whitehill (East Hampshire), directly adjacent to the Woolmer Forest SAC / Wealden Heaths Phase II SPA.

- Development in the South West Reading area, which could cumulatively affect open space and biodiversity in the area.

- Additional 1600+ homes in Slough, which would increase pressure on open space and nature conservation sites in the area.

Cumulative impacts on the Thanet Coast and Sandwich Bay SPA/SAC/Ramsar sites of housing allocations in policy H1 and the Kent International Airport.

Impacts on designated nature conservation sites of the employment sites proposed by Policy SCT3.

6.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

6.8.1 The SA concluded that overall, despite the protective policies, the Proposed Changes were likely to have a significant negative impact on biodiversity. It recommended that:

- The principles/approach of the Thames Basin Heaths policy (NRM6) should be broadened out to also encompass other heaths, possibly other habitats.
- Policy SCT3 should be revised to delete those sites with likely impact on biodiversity and/or explicitly require no adverse effects on biodiversity arising from employment uses.
- Policy CC8 should explicitly require the preparation of Green Infrastructure Strategies for each of the 22 Regional Hubs.

6.8.2 The Secretary of State’s response to these recommendations is set out below.

<table>
<thead>
<tr>
<th>SA recommendation / comment</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broaden Thames Basin Heaths approach</td>
<td>The Secretary of State agrees with this recommendation in principle as logic dictates that similar issues may apply to other SPAs, if they are subject to the same recreational pressures and impacts resulting from urbanisation (in particular disturbance to ground nesting birds). However, it is not proposed to replicate the exact approach set out in Policy NRM6 for the other seven sites identified. This is because: • The purpose of the Thames Basin Heaths Policy is to provide workable methodology to breakdown a</td>
<td>The following supporting text has been added to Policy NRM5: “During the preparation of this RSS Habitats Regulation Assessment identified the following sites of international importance for nature conservation where it was not possible to conclude that there would be no adverse effect on site integrity due to urbanisation and 'in combination' effects. These are: • Burnham Beeches SAC • North Downs Woodlands SAC • Thursley Hankley and Frensham Commons SPA</td>
</tr>
</tbody>
</table>
logjam of planning applications and proposals where a co-ordinated approach to mitigation is required, given the high levels of development proposed close to a large SPA, and given that the SPA in question covers the administrative areas of many local authorities. Preparation of the interim delivery plan for Thames Basin Heaths has been a resource intensive task. It is not currently clear as to whether a similar approach is needed for other SPAs – for example is cross boundary working needed, are the pressure the same etc? It is therefore not clear whether current administrative arrangements in other areas are incapable of assuring that site integrity is maintained.

- The Thames Basin Heaths mitigation measures were extensively discussed at the Examination in Public and there is a degree of agreement and commitment to the approach set out in policy NRM6.
- Policy NRM5 already sets out policy on protection of other sites, and this already includes policy on possible use of mitigation measures, including buffer zones and alternative recreation land, if appropriate. The draft therefore in effect already incorporates the recommendation.

Local Authorities and partners will therefore need to ensure that any development proposals affecting these sites are able to demonstrate that in combination they will have no adverse effect on the integrity of these sites. This may include implementation of this policy, including the possible deployment of mitigation measures identified in criterion (viii).

<table>
<thead>
<tr>
<th>Development at Chertsey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development at Chertsey contravenes NRM6</td>
</tr>
<tr>
<td>The residential element of the Chertsey site was inserted by the Panel who acknowledged its relationship to Thames Basin Heaths SPA (it appears to lie adjacent but outside the 400</td>
</tr>
</tbody>
</table>
Development at Reading, Slough and Dover

The Proposed Changes to Policy H1 (Housing Provision) may mean a reduction in open space and biodiversity at Reading, Slough, and Dover.

The constraints around Slough are noted. However, the reasoned justification supplied for the uplift (+1600 dwellings) demonstrates that there is a large amount of housing within the existing planning pipeline. Projected housing completions for the Borough of Slough are in excess of 3,700 above the Panel’s suggested rate up to the period 2016, meaning that higher completion rates should be achieved without breaching environmental constraints.

In the case of Dover the reasoned justification to Policy H1 shows that existing commitments already exceed RPG9 requirements by about 70%.

It is accepted that development in these areas will need to take account of open space requirements and the need to retain and enhance biodiversity. Policy CC8 (Green Infrastructure) has been amended to be specifically linked to hubs (all three areas are hubs) and SDAs.

The RSS no longer refers to an SDA at West Berkshire

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**Employment sites**

**Policy SCT3 should be revised to delete those sites with likely impact on biodiversity and/or explicitly require no adverse effects on biodiversity arising from employment uses.**

The explicit requirement is not considered necessary as Policy NRM5 already states that new development proposals should ensure that unavoidable damage to wildlife interest is minimised through mitigation, that any

A cross reference to policy NRM5 has been included in Policy SCT3.

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metre zone of influence.) Development at this site would comply with draft Policy NRM6 if sufficient mitigation was proposed.

The Panel have allocated (at para 20.78) a lower figure than that suggested in previous Structure Plan and Local planning rounds on the grounds that it will be more able to offer adequate SANGS land. Policy LF6 also states that the precise scale of development, mix of uses, provision of avoidance and mitigation measures to protect the Thames Basin Heaths Special Protection Area will need to be tested.

Development atReading, Slough and Dover

The Proposed Changes to Policy H1 (Housing Provision) may mean a reduction in open space and biodiversity at Reading, Slough, and Dover.

The constraints around Slough are noted. However, the reasoned justification supplied for the uplift (+1600 dwellings) demonstrates that there is a large amount of housing within the existing planning pipeline. Projected housing completions for the Borough of Slough are in excess of 3,700 above the Panel’s suggested rate up to the period 2016, meaning that higher completion rates should be achieved without breaching environmental constraints.

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A cross reference to policy NRM5 has been included in Policy SCT3.
### Green infrastructure strategies

**Policy CC8 should be revised to explicitly require the preparation of Green Infrastructure Strategies for each of the 22 Regional Hubs.** Given the anticipated shortage of urban land for development in the medium- to long-term, the pressure for development in the urban fringe as well as for greenfield extensions will only increase. Detailed Green Infrastructure Strategies would provide a key means to mitigate impacts on the biodiversity and the landscape while at the same time providing sufficient open space to meet the requirements of increased urban populations.

We agree that the pursuit of Green Infrastructure will be particularly important in the 22 hubs as they are a main focus for development proposed in the draft RSS. However, we would stop short of explicitly requiring the production of Green Infrastructure Strategies as:

- The policy already applies region-wide and requires joint working for Green Infrastructure
- There is currently no guidance on the creation of Green Infrastructure strategies, or dedicated resources and expertise to carry them out (although Natural England and partners are currently preparing a regional Green Infrastructure Framework).

We are concerned that explicitly requiring production of additional strategies risks placing additional workload or resource burdens on local authorities, particularly in the absence of guidance,

- We are not convinced that the production of a separate Green Infrastructure Strategy would be the best way of implementing this policy (depending in its content). Effective implementation of this policy would ideally involve consideration and spatial planning of networks through the LDF process (in particular Core Strategies, site allocation DPDs and Area Action Plans) as this will allow for a joined up approach where networks

Addition of a reference to the 22 hubs and Strategic Development Areas in the final sentence of the policy:

“The provisions of this policy apply region-wide. However, the successful designation and management of Green Infrastructure will be particularly important in areas designated as regional hubs, in areas close to sites of international ecological importance and in areas identified for significant growth (Strategic Development Areas).”

The final sentence of the supporting text now states that:

“One mechanism to help work towards this goal would be the Framework for Green Infrastructure in the South East, which is currently being prepared by Natural England and its partners.”
6.9 What will be the situation under the Final Revisions / South East Plan?

**Significant changes**

6.9.1 The Final Revisions include a number of measures to further reduce the RSS’s impacts on biodiversity:

- **CC1** - adds reference to the natural environment, and safe and inclusive communities
- **RE3** – the need to safeguard the environment should be ‘recognised’ in joint employment land reviews
- Slightly reduced housing requirements in H1, including 1400 fewer homes in the Sussex Coast sub-region, 740 in the London Fringe, 3200 in Milton Keynes (east of the M1), and 2400 in Buckinghamshire; and reductions in Brighton and Hove and Reigate and Banstead. These will help to reduce pressure on biodiversity, for instance through land take.
- A range of additional requirements to carry out water cycle studies, provide appropriate wastewater treatment infrastructure, etc. These are discussed further at Chapter 13, but would help to ensure that habitats and species that rely on good water quality or consistent water levels are not significantly affected by RSS-related development
- Other measures related to European sites / HRA, including a comprehensive rewording of Policies NRM5 on European sites and NRM6 on Thames Basin Heaths; and some changes to proposed avoidance/mitigation measures. These are discussed at Chapter 15; this chapter focuses on biodiversity generally.

6.9.2 The Final Revisions also include new references to growth points at Shoreham Harbour and Dover; and change the green infrastructure policy (CC8) to reduce its emphasis on biodiversity and instead stress the need for multifunctionality. These changes are not considered to have significant effects on the ground, as they merely reflect other existing policy.
Residual impacts

6.9.3 Overall, despite the protective policies, the Final South East Plan is still likely to have a significant negative impact on biodiversity. The HRA / AA shows that increases in the region’s population would indirectly lead to increasing recreational pressure, increasing air pollution, and changes to water levels and water quality which would affect nature conservation sites sensitive to these impacts. The RSS still includes most of the housing allocations and development sites that were identified in the previous SA as being likely to have a significant effect on biodiversity. These are shown in Figure 5.
Figure 5: Development sites likely to have a significant effect on biodiversity

- Chertsey
- Bordon/Whitehill
- Dover/Whitfield
- Kent International airport
- Shoreham Airport
- Shoreham Cement Works
- Eastbourne Park
• Development of 2500+ homes at the DERA site at Chertsey (Runnymede) will be directly adjacent the Thames Basin Heaths SPA; development of 5000+ homes at Bordon/Whitehill (East Hampshire) will be directly adjacent to the Woolmer Forest SAC / Wealden Heaths Phase II SPA; and development of 10,100 homes in Dover district could affect several European sites. These are discussed in Chapter 15.

• 6300 homes at Slough will increase pressure on open space and nature conservation sites in the area, which are already constrained\textsuperscript{72}.

• Several of the employment sites proposed by Policy SCT3 are adjacent or very near to areas designated for their national or international importance for biodiversity, notably Shoreham Airport (the whole eastern end of the airport boundary is adjacent the Adur Estuary SSSI), the Shoreham Cement Works (adjacent to Beeding Hill to Newtimber Hill SSSI), and Eastbourne Park (almost all of the park, including much of the area currently proposed for commercial development in the Eastbourne Park Management Plan\textsuperscript{73}, is grazing marsh Biodiversity Action Plan habitat).

• Shoreham Airport and Eastbourne Park are also in areas of flood risk; and the Final Revisions’ change to the supporting text, which would allow mixed use schemes on these sites in exceptional circumstances, suggests that the sites may not be fully viable as employment sites. Both the SA for the Preferred Changes and a draft of this SA recommended that most of the employment sites in Policy SCT3 should be removed on grounds of biodiversity and flooding. However, GOSE have decided to retain them because of the need to support economic development in the Sussex Coast sub-region. GOSE also believe that Policy SCT3’s reference to policy NRM5 (Conservation and Improvement of Biodiversity) will ensure that the biodiversity interest of those sites will be protected.

6.9.4 The ongoing ‘nibbling away’ of previously undeveloped land, and previously developed land that has subsequently acquired a biodiversity interest, is also likely to cause a significant cumulative impact on biodiversity\textsuperscript{74}.

\textsuperscript{72} Slough’s Core Strategy, which plans for 5700+ new homes, notes that: “There is no scope to expand the urban area of Slough because it is constrained by the M4 motorway to the south, its political boundary to the north and west, and major technical constraints to development in the Colnbrook and Poyle area to the east. These include the existence of areas liable to flood [in Colnbrook and Poyle], areas that have been subject to land filling, Air Quality Management Areas, areas subject to high noise levels and a Public Safety Zone for Heathrow airport. As a result, all development pressures will have to be accommodated within the existing urban area... There are around 270 hectares of public open space in the Borough... There are also 11 Wildlife Heritage Sites in the Borough (two of which are also Local Nature Reserves) covering 74 hectares. This still represents a shortage of open space in Slough which cannot realistically be increased.” http://www.slough.gov.uk/documents/CoreStrategy2006-2026.pdf


\textsuperscript{74} Green Belts do not have biodiversity or publicly accessible open space as a formal aim: PPG2 states that their aim is to check sprawl, prevent coalescence of settlements, safeguard the countryside from encroachment, preserve the setting and character of historic towns, and assist in urban regeneration. Strategic gaps have similar aims, but also aim to retain the physical and psychological benefits of having open land near to where people live.
6.10 Conclusions on biodiversity and open space

6.10.1 RSSs have significant influence over the protection and provision of open space and biodiversity. They can specify where regionally-important development should be located; specify housing numbers for districts, which, in turn, affect open space and biodiversity generally in that district; and set rules for management and enhancement of open space and biodiversity. Despite its policies on Green Infrastructure and management of the rural fringe, the RSS for the South East is likely to have a negative impact on open space and biodiversity, both directly through increased likelihood of development on open space and indirectly because the increased population accommodated in the housing developments will increase recreational pressure, traffic movements, air and water pollution etc.

<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Final South East Plan</th>
<th>Final South East Plan plus other plans, programmes etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short/medium term (to about 2020)</td>
<td>Increasing housing and employment development is likely to negatively affect biodiversity and open space despite safeguards in the RSS. Mitigation measures such as provision of Green Infrastructure constrained by lack of available land and finances – competition with e.g. affordable housing for limited pots of developer contributions (see Chapter 15).</td>
<td>Other RSSs are likely to have negative impacts on biodiversity and open space for similar reasons.</td>
</tr>
<tr>
<td>Long term (beyond 2020)</td>
<td>As easily developable brownfield land is used for development, greenfield land is more likely to be developed. Provision of new open space and green infrastructure – particularly near more populated areas – is likely to become increasingly difficult unless they are given priority in DPDs.</td>
<td>Other RSSs are likely to have negative long-term impacts on biodiversity and open space for similar reasons.</td>
</tr>
<tr>
<td>Areas likely to be significantly affected</td>
<td>Areas likely to be significantly affected as a result of the RSS include Swale, Portsmouth Harbour, the River Itchen, and the Adur Estuary. Additional areas likely to be significantly affected by the RSS are Chertsey, Slough, Dover, near Kent International Airport, Shoreham Airport, Shoreham Cement Works, Eastbourne Park, and the Strategic Development Areas. Policy CC8 should help to ensure that biodiversity and open space in / near the Strategic Development Areas do not decline significantly.</td>
<td></td>
</tr>
<tr>
<td>Permanent vs. temporary</td>
<td>Most of the impacts will be permanent: greenfield land and habitats will be developed, and this is difficult to reverse</td>
<td></td>
</tr>
<tr>
<td>Secondary</td>
<td>Changes to biodiversity and open space would also affect community wellbeing, human health, and to a lesser extent the economy and transport.</td>
<td></td>
</tr>
</tbody>
</table>
7 Community wellbeing

7.1 Introduction

7.1.1 In delivering the proposed growth within the region the South East Plan must ensure that this will create sustainable communities. The South East is in general a successful region, however, there are nationally significant areas of deprivation and ensuring that the population within these areas also have opportunities to improve their quality of life is a key deliverable.

7.1.2 The Department for Communities and Local Government (CLG) has defined sustainable communities as:

“...places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of life. They are safe and inclusive, well planned, built and run, and offer equality of opportunity and good services for all”\(^{75}\).

7.1.3 As such, sustainable communities embody the principles of sustainable development by:

“balancing and integrating the social, economic and environmental components of their community, meeting the needs of existing and future generations and respecting the needs of other communities in the wider region or internationally to make their own communities sustainable”\(^{76}\).

7.1.4 Social inclusion is a key aspect of sustainable communities and many interlinked factors are important in ensuring that individuals and areas are able to fully participate in society. Factors such as income poverty and unemployment can be compounded by poor housing, high crime, discrimination, bad health and family breakdown. A combination of problems can create a vicious cycle and lead to social exclusion.

“Social exclusion can happen as a result of problems that face one person in their life. But it can also start from birth. Being born into poverty or to parents with low skills still has a major influence on future life chances”\(^{77}\).

7.1.5 Community wellbeing is therefore influenced by a number of crosscutting factors. This section focuses on many of these, including health, social infrastructure, safety, social networks, and deprivation. The issues related to housing (inequalities in provision and access to the market and affordable housing), and skills and education (access and levels of achievement) are covered in Chapters 3 and 10 (housing) and 8 (economy).

\(^{75}\) See [www.communities.gov.uk](http://www.communities.gov.uk)

\(^{76}\) Ibid

\(^{77}\) Ibid
7.2 What are the key sustainability objectives we need to consider?

7.2.1 Key objectives from the IRF include:

- To ensure that everyone has the opportunity to live in a decent, sustainably constructed and affordable home suitable to their need
- To improve the health and well-being of the population and reduce inequalities in health
- To reduce poverty and social exclusion and, by improving their performance, close the gap between the most deprived areas in the South East and the rest of the region
- To raise educational achievement levels across the region and develop the opportunities for everyone to acquire the skills needed to find and remain in work
- To reduce crime and perceptions of disorder
- To create and sustain vibrant communities which recognise the needs and contributions of all individuals
- To improve accessibility to all services and facilities including the countryside and the historic environment
- To encourage increased engagement in cultural activity across all sections of the community in the South East and promote sustainable tourism
- To develop and maintain a skilled workforce to support long-term competitiveness of the region

7.3 What’s the policy context?

7.3.1 Sustainable Communities: Building for the Future (the ‘Sustainable Communities Plan’) was launched in 2003 and sets out a long-term programme of action for delivering sustainable communities in urban and rural areas. The main aspects are:

- Addressing housing shortage, comprised of accelerating the provision of housing, affordable housing and tackling homelessness
- Addressing low demand and abandonment
- Ensuring all social housing is brought up to a decent standard by 2010
- Improving the local environment of all communities (liveability)
- Protecting the countryside and using land more effectively
7.3.2 *Planning Policy Statement 1: Delivering Sustainable Development* (2005) stresses the importance of a strong, stable and productive economy and requires planning authorities to ensure that the necessary infrastructure is provided to support new and existing economic development and housing. It also states that accessibility to jobs and services should be addressed as a means of achieving social cohesion and inclusion.

7.3.3 PPS3 emphasises that housing developments should be in suitable locations, which offer a good range of community facilities and with good access to jobs, key services and infrastructure.

7.3.4 In October 2006, the Government published the White Paper, *Strong and Prosperous Communities*. The main themes of the Paper are to encourage councils to develop neighbourhood charters setting out local standards and priorities; more effective, accountable and responsive local government; stronger city region leadership models; a new performance framework tailored to local needs through the Local Area Agreement; efficiency gains as part of the 2007 Comprehensive Spending Review; greater community and resident participation in decisions; and an enhanced role for community groups.

7.3.5 Community empowerment and the role of the Third (voluntary) Sector have a particularly important role for community wellbeing. The Third Sector is defined by the Government as “non-governmental organizations which are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives. It includes voluntary and community organisations, charities, social enterprises, cooperatives and mutuals.”

7.3.6 *Citizen Engagement and Public Services: Why Neighbourhoods matter* (ODPM, 2005) states the Government’s desire to develop responsive and customer-focused public services with opportunities for communities to influence and improve the delivery of public services. It also set out the Government’s desire to extend neighbourhood management whilst recognising that their form must be appropriate to local circumstances, flexible to change and responsive to the needs and diversity of the community and its organisations.

7.3.7 *The Future Role of the Third Sector in Social and Economic Regeneration, Interim Report* (December 2006) builds on the issues and recommendations from the 2002 report. It considers the role of the third sector in building stronger and connected communities, in enabling voice and campaigning, in promoting volunteering and mentoring, in social enterprise, in transforming public services, along with the environment needed to foster a healthy third sector able to fulfil its ambitions. This contains some key messages that the Appraisal would benefit from including, e.g. the importance of the sector in ensuring a voice for those most disadvantaged, influencing

and forming policy and priority setting and as a deliverer of public service and the move towards a more sustainable funding base for the sector.

7.3.8 The Office of the Third Sector Public Service Delivery Action Plan\(^{79}\) brings together opportunities for the third sector to play an enhanced role in public services. Actions include a national training programme aimed at those commissioning public services on how to involve the third sector in services, funding for community groups to work with Local Authorities to take over management or ownership of local assets, and a summary of areas of opportunity for the third sector to take on a central role in delivering services to the public.

7.3.9 The Government’s strategy for neighbourhood renewal - *A New Commitment to Neighbourhood Renewal* (2001) - flagged the importance of social inclusion by stating that, within 10 to 20 years no one should be seriously disadvantaged by where they live. It states ways of addressing the underlying problems of declining areas such as high unemployment, weak economies and poor schools and uses Local Strategic Partnerships (LSPs) to unite major service providers from the public, private, community and voluntary sectors to drive forward change.

7.3.10 The Urban White Paper *Our Towns and Cities: The Future - Delivering an Urban Renaissance* (2000) built on the Urban Task Force’s 1998 report (which discusses causes of urban decline and recommend solutions to bring people back into towns and cities) by setting out a vision for urban renaissance to make towns and cities vibrant and successful places. Aspects of this included redeveloping brownfield land, better maintenance of streets and buildings and good quality services.

7.4 What’s the situation now?

7.4.1 Community Wellbeing is monitored through a range of indicators. The information in the latest AMR is summarised in Table 18.

\(^{79}\) See: http://www.cabinetoffice.gov.uk/third_sector/public_service_delivery/
### Table 18: Community wellbeing indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Pre-2003</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortality from circulatory disease (England = 100)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>reduce by 40% in under 75s by 2010</td>
</tr>
<tr>
<td>Mortality from cancer (England = 100)</td>
<td></td>
<td>94</td>
<td>95</td>
<td>-</td>
<td>-</td>
<td>reduce by 20% in under 75s by 2010</td>
</tr>
<tr>
<td>Mortality from coronary heart disease (England = 100)</td>
<td></td>
<td>89</td>
<td>89</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Mortality from accidents, (England = 100)</td>
<td></td>
<td>93</td>
<td>94</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Suicide rates (England = 100)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>98</td>
<td>-</td>
</tr>
<tr>
<td>Infant mortality rates</td>
<td>4.5</td>
<td>3.9</td>
<td>3.9</td>
<td>4.1</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Life expectancy by gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M: 77.81</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F: 81.85</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conceptions among girls under 18, per 1000</td>
<td></td>
<td>34</td>
<td>33</td>
<td>34.1</td>
<td>34.1</td>
<td></td>
</tr>
<tr>
<td>% children under 16 who live in low-income households</td>
<td>14</td>
<td>-</td>
<td>-</td>
<td>15</td>
<td>-</td>
<td>By 2010, to halve gap between most disadvantaged communities and average position of the region</td>
</tr>
<tr>
<td>% population of working age who are claiming key benefits</td>
<td>7.4</td>
<td>1.4</td>
<td>1.9</td>
<td>9.7</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>% households in fuel poverty</td>
<td>3.9 / 5.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Indicator</th>
<th>Pre-2003</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>% population who live in most deprived 20% areas of the country</td>
<td>5.4</td>
<td>5.5</td>
<td>-</td>
<td>-</td>
<td>5.94</td>
<td>Reduce vehicle crime by 30% from 1998/99 to 2004; and domestic burglary and robbery by 25% and 14% from 1998/9 to 2005</td>
</tr>
<tr>
<td>household income in rural areas (£/week)</td>
<td>370</td>
<td>347</td>
<td>345</td>
<td>366</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Crime rate per 100,000 population</td>
<td>8,600</td>
<td>9000</td>
<td>9000</td>
<td>9,100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% worried about burglary</td>
<td>12</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% worried about car crime</td>
<td>15</td>
<td>13</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% worried about violent crime</td>
<td>18</td>
<td>13</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% people who are satisfied with their local area as a place to live</td>
<td>86</td>
<td>88</td>
<td>88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% rural households within 4km of ATM</td>
<td>91.9</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% rural households within 4km of a doctor's surgery</td>
<td>89.2</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% rural households within 2km of a pub</td>
<td>97.5</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7.4.2 Much like England as a whole\textsuperscript{81} the region’s population is aging with the number of over 65s soon outweighing the number of people under 16. The SA of the Draft South East Plan identifies clustering of over 65’s along the South of the region in the Sussex Coast area. It is expected that during the lifetime of the plan “the majority of the region will experience an increase in the percentage of its population of over 65s, with less clustering and more uniformity in terms of population spread throughout the South East.

and not just in areas such as the Sussex Coast". The South East had the highest male and female healthy life expectancy in comparison to any other region\textsuperscript{82}.

7.4.3 Health levels in the South East are noted as being above the national average and progress has been made in improving the health of the population. Since 1996-98 the mortality rate has decreased by 32% for circulatory disease and 13% for cancer. Furthermore, suicide rates have dropped by 10%\textsuperscript{83}.

7.4.4 However this noted there are pockets of high deprivation found across the region (see Figure 6 from the SA of the Draft South East Plan). Health deprivation can be linked to a number of factors including economic activity and the relative age of the population.

**Figure 6: IMD Health Deficiencies 2004**

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\begin{figure}
\centering
\includegraphics[width=\textwidth]{imd-health-deficiencies-2004}
\caption{IMD Health Deficiencies 2004}
\end{figure}
```

7.4.5 In reference to overall levels of deprivation across the region (Figure 7) the SA of the Draft South East Plan indicates that “Whilst the region generally enjoys a high standard of living, there exist significant pockets of deprivation across the region. This is


\textsuperscript{83} Ibid
particularly apparent in areas of East Kent and Ashford and the Thames Gateway which experience the highest levels of children living in income deprived families and fuel poverty”.

Figure 7: Relative deprivation across the South East

7.4.6 As the SA of the Draft South East Plan highlights, “There are pockets of high levels of crime within the region and the incidences of recorded crime provide evidence of the basis for fear of crime”. The fear of crime is a national issue. According to the 2006/07 British Crime Survey, 65 per cent of adults in England and Wales believed there was more crime in the country as a whole than two years ago. The indicators for the South East reveal that the region may buck this trend with the percentage of people worried about burglary, car crime and violent crime decreasing, whilst recorded crime per 100,000 has increased in the last five years.

7.5 What will be the situation without the plan?

7.5.1 In relation to health, nationally the population of over 65s is increasing and will soon be greater than the population of under 16s. Whilst relative health levels will improve, an increasingly elderly population will place increasing pressure on health services. More generally, health may generally improve with increasing prosperity and national policy to tackle issues such as smoking and obesity.

7.5.2 In relation to deprivation more generally, there appears to be little movement in tackling persistent inequalities in the region. The 2007 AMR states that the disparity in economic performance across the region remains significant and of concern, not least the continued differences between the generally more affluent north and west parts of the region as opposed to the less economically successful south and east of the region85.

7.6 What would have been the situation under the Draft South East Plan?

7.6.1 The SA of the Draft South East Plan indicated that there would be mixed and minor positive effects arising from the implementation of the Plan.

7.6.2 In terms of the effects on health, the SA indicated that “Although the policies address aspects of health in so far as these are related to spatial planning and housing provision, there is no consideration of the inequalities in health across the region which are significant. There should be an emphasis on this in the policies addressing health concerns... This Plan should address the under determinants of health more explicitly”.

7.6.3 With regard to poverty and social exclusion, the SA concluded that “The plan recognises the importance of issues of poverty and social exclusion, and the need for all parts of the region to contribute to shared objectives. However, there is little emphasis in the economic development policies on closing the gap between different parts of the region, although economic development has a major role to play in achieving this objective. The plan needs to demonstrate how the significant regional disparities have been considered and how economic development will be used to ensure that the benefits of sustained growth are particularly felt in the deprived areas. The Plan needs to make more explicit links to the Regional Economic Strategy which clearly has a key role to play in addressing these issues too”.

7.6.4 With respect to the sub-regional level, the SA concludes that “In general, the relationship between socio economic deprivation, social exclusion, and social factors affecting economic participation and the development of the sub-regions is not explored in detail in the Strategies”. It also suggests that “the factors leading to social exclusion are not 

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focused on to any great extent in the strategies with the exception of education and skills”.

7.6.5 In light of the fact that access to services is already a concern, the SA concludes that “There is a strong emphasis across a range of policy areas on accessibility of services and facilities to all sections of the community. However, the emphasis is on services for new development. This needs to be widened to reflect that adequate provision of community facilities is important in all areas, both for existing communities and areas of new development”.

7.7 What would have been the situation under the Draft Proposed Changes?

7.7.1 The Draft Proposed Changes remove the conditionality clause included in the previous version of policy CC7 Infrastructure and Implementation (previously CC5) (see Chapter 4). This changes the emphasis of the policy from development being dependant on sufficient capacity in existing infrastructure to “The phasing of development will be closely related to the provision of infrastructure”. The implication of this changing policy is the removal of certainty over the provision of infrastructure, including health and social infrastructure. This change in emphasis could lead to increasing pressure on existing community facilities and resources to accommodate the additional growth in population and households. The logical step is that use of existing infrastructure will be considered before the promotion of new social infrastructure alongside new development. It is reasonable to question whether this in fact may on occasion stretch resources that are not yet at capacity but are close to this, to a position where the services they provide are compromised for both existing and new development. In particular this may be noted in areas of existing deprivation and within the regional hubs where growth is likely to be concentrated.

7.7.2 Under the Draft Proposed Changes, some areas are set to experience particularly rapid population growth. Assuming that each new dwelling leads to an additional 2.25 people in the district, then future population growth will be particularly significant for:

- Adur (>40%)
- Aylesbury Vale (>30%)
- Cherwell (>40% if eco-town goes ahead)
- Crawley town: from development by Crawley (some proportion of 7500), Horsham (up to 2500 west of Crawley), Mid Sussex (2200 at Crabbett Park) and development in Gatwick area (3600)
- Dover (>60% for Dover Town, >20% for district as a whole)
- Fareham (>25%)
7.7.3 Research suggests that neighbourhood stability is a key factor in neighbourhood cohesion. It also suggests that established communities may resent newcomers who are perceived to be getting more or better resources, and that “economic disadvantage is a major factor militating against social cohesion”\(^{86}\). Care will need to be taken to ensure that existing as well as new residents benefit from future, particularly in areas of existing deprivation.

7.7.4 The SA of the Draft South East Plan noted that “There needs be a stronger emphasis in relevant policies to promoting the links between biodiversity protection / enhancement, access and recreation, and health and well-being”. The Draft Proposed Changes now includes a cross cutting policy on Green Infrastructure (CC8) which states that: “Networks should be planned to include both existing and new green infrastructure. They should be managed with the primary aim of maintaining and improving biodiversity, but also delivering recreational and cultural benefits and ensure that an improved and healthy environment is available for the benefit of present and future communities”.

7.7.5 Green infrastructure provides opportunities for recreational and cultural use, which in turn is likely to improve health levels. Regular physical activity is highly efficacious as a preventer of illness and as a therapeutic intervention for existing illness. A 1% reduction in the UK sedentary population (from 23% to 22%) has been estimated to deliver a social benefit of up to £1.44 billion per year\(^ {87}\). Green areas can also promote mental well-being\(^ {88}\); and help to establish local identity and sense of place, and promote a sense of community\(^ {89}\).

7.7.6 With regard to the level of additional housing under the Draft Proposed Changes, there is an inherent tension between identifying and providing additional land for the increasing housing demand and provision of new and effective green infrastructure, as demonstrated by the protracted discussions at the EiP involving the feasibility of providing Suitable Accessible Natural Green Spaces (SANGS) as mitigation for impacts on sites of international nature conservation importance.

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7.7.7 The revised district distribution set out in the Draft Proposed Changes indicates that those areas receiving the majority of additional housing are within districts that are outside of the region’s most deprived areas. The exception is Dover District, which experiences considerable deprivation issues and the Strategic Development Area at Oxford, which would be adjacent some of the city’s most deprived wards. The distribution of the additional housing growth put forward within the Draft Proposed Changes is therefore unlikely to act as a catalyst for regeneration or lead to changes in the existing regional pattern of deprivation.

7.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

7.8.1 The SA of the Proposed Changes concluded that Policy CC8 should be revised to explicitly require the preparation of Green Infrastructure Strategies for each of the 22 regional hubs in order to promote community wellbeing and access to green space.

7.8.2 The Secretary of State’s response to our recommendation is set out below.

<table>
<thead>
<tr>
<th>SA recommendation / comment</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
</table>
| Policy CC8 should be revised to explicitly require the preparation of Green Infrastructure Strategies for each of the 22 Regional Hubs. Given the anticipated shortage of urban land for development in the medium- to long-term, the pressure for development in the urban fringe as well as for greenfield extensions will only increase. Detailed Green Infrastructure Strategies would provide a key means to mitigate impacts on the biodiversity and the landscape while at the same time providing sufficient open space to meet the requirements of increased urban populations. | We agree that the pursuit of Green Infrastructure will be particularly important in the 22 hubs as they are a main focus for development proposed in the draft RSS. However, we would stop short of explicitly requiring the production of Green Infrastructure Strategies as:  
- The policy already applies region-wide and requires joint working for Green Infrastructure  
- There is currently no guidance on the creation of Green Infrastructure strategies, or dedicated resources and expertise to carry them out (although Natural England and partners are currently preparing a regional Green Infrastructure Framework). | Addition of a reference to the 22 hubs and Strategic Development Areas in the final sentence of the policy:  
“The provisions of this policy apply region-wide. However, the successful designation and management of Green Infrastructure will be particularly important in areas designated as regional hubs, in areas close to sites of international ecological importance and in areas identified for significant growth (Strategic Development Areas).”  
The final sentence of the supporting text now states that:  
“One mechanism to help work towards this goal would be the Framework for Green Infrastructure in the South East, which is currently being prepared by Natural England and its partners.” |
explicitly requiring production of additional strategies risks placing additional workload or resource burdens on local authorities, particularly in the absence of guidance,

- We are not convinced that the production of a separate Green Infrastructure Strategy would be the best way of implementing this policy (depending in its content). Effective implementation of this policy would ideally involve consideration and spatial planning of networks through the LDF process (in particular Core Strategies, site allocation DPDs and Area Action Plans) as this will allow for a joined up approach where networks are planning along side new patterns of development. Flexibility within the LDF process allows for implementation and management issues to be picked in Supplementary Planning Documents.

7.9 What will be the situation under the Final Revisions / South East Plan?

Significant changes

7.9.1 The Final Revisions reduce the overall level of housing provision in the region from 33,125 dpa to 32,700 dpa including in areas of high demand and affordability issues. In relation to the overall level of housing provision, it is very clear that the level of housing provision in the region needs to be increased significantly in order to accommodate emerging new households, combat the housing backlog, provide further affordable housing and support economic growth. For this reason, at the Proposed Changes stage we supported – subject to certain mitigation measures – the delivery of 33,125 dpa. From a community wellbeing point of view, the subsequent reduction in overall provision to 32,700 dpa is likely to be negative in its impacts. However, the reduction is relatively small.
7.9.2 In relation to green infrastructure, it should be noted that Policy CC8 has been amended to reduce the emphasis on biodiversity and increase the emphasis on multifunctionality.

**Residual impacts**

7.9.3 The real issue in relation to housing is the widening gulf between the level of housing provision enshrined in regional policy and the actual level of housing need. The latest household projections (March 2009) indicate that 39,000 new households will emerge per year in the South East from 2006 to 2031. This indicates a shortfall of over 6,000 dpa not even taking into account the existing housing backlog. The existing economic climate and the downturn in the construction sector will only worsen the situation and it remains to be seen whether provision can rapidly increase over-and-above past delivery rates once the upturn begins. The social impacts of the cumulative shortfall in housing provision are difficult to clearly envisage but will clearly be significant. The Final Revisions state that “The next review of this RSS also needs to review the current levels of housing and a higher rate of provision than 32,700 dwellings per annum is likely to be necessary to meet the strategic needs in the region”.

7.9.4 In relation to deprivation, there appears to be little movement in tackling persistent inequalities in the region. The 2007 AMR states that the disparity in economic performance across the region remains significant and of concern, not least the continued differences between the generally more affluent north and west parts of the region as opposed to the less economically successful south and east of the region90.

7.10 **Conclusions on community wellbeing**

7.10.1 RSSs have only a limited remit for improving community wellbeing and health. At best, they can help to ensure that the spatial context for community wellbeing is optimised, for instance through the provision of social infrastructure (e.g. village halls, doctors’ surgeries), publicly accessible open space, and good quality, affordable housing. They can also help to ensure that deprived regions do not become further deprived by helping to support economic growth in those areas, and ensuring that employment opportunities are accessible. However, most aspects of community wellbeing and health are determined by other factors (e.g. national government policy).

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### Type of impact

<table>
<thead>
<tr>
<th></th>
<th>Final South East Plan</th>
<th>Final South East Plan plus other plans, programmes etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short/medium term</strong></td>
<td>The RSS recognises the importance of issues of poverty, social exclusion and health to be addressed in all parts of the region, but there is little emphasis on closing the gap between different parts of the region. The relationship between socio economic deprivation, social exclusion, and social factors affecting economic participation and the development of the sub-regions, are not explored in detail. The distribution of the additional housing growth is unlikely to act as a catalyst for regeneration or lead to changes in the existing regional pattern of deprivation. The RSS strongly emphasises, across a range of policy areas, the need to improve accessibility to services and facilities. The infrastructure policy (CC7) aims to ensure that adequate social infrastructure is provided alongside new development; however it is also likely to add pressure on existing infrastructure. This may stretch resources that are close to capacity, particularly in areas of existing deprivation and within the regional hubs.</td>
<td>General government action to improve health (e.g. the smoking ban and drives to reduce obesity) are likely to improve health overall. Health is also likely to generally improve with increasing prosperity. However an increasingly elderly population will place increasing pressures on health services. Little movement in tackling persistent inequalities of deprivation in the region, and disparity of economic performance.</td>
</tr>
<tr>
<td><strong>Long term</strong></td>
<td>The region’s social infrastructure gap is likely to widen as existing capacity is fully used but new infrastructure does not keep pace with demand: see Chapter 4.</td>
<td>The increasing proportion of older people in the region will place added burdens on health services.</td>
</tr>
<tr>
<td><strong>Areas likely to be significantly affected</strong></td>
<td>Those areas that are currently deprived – notably inner urban areas and the coastal fringe – are likely to remain comparatively more deprived.</td>
<td></td>
</tr>
<tr>
<td><strong>Permanent vs. temporary</strong></td>
<td>Community wellbeing and good health take a long time to build up: good health starts before birth, and community wellbeing is at least partly related to community stability. Most of the RSS’s impacts will be permanent.</td>
<td></td>
</tr>
<tr>
<td><strong>Secondary</strong></td>
<td>Improved community wellbeing would indirectly improve the economy.</td>
<td></td>
</tr>
</tbody>
</table>
8 Economy

8.1 Introduction

8.1.1 The South East is widely recognised as one of the most successful regions in the UK, and its economic performance is therefore central to the UK’s current and future economic well being. However there are disparities in the region, with variations in economic performance and concentrations of social exclusion\(^91\).

8.1.2 Given the range of interlinked factors which contribute to a successful economy, several policy areas are of relevance to this chapter. Transport and housing in particular are discussed in, chapters 3 and 12, respectively. This chapter focuses on employment, education and skills.

8.1.3 Although this paper concerns the South East, it is important to acknowledge that the region is not a self-contained economy, and the success of other regions as well as the wider national and international economy has a significant impact on the region. Therefore, a brief review of both national and regional policy will follow.

8.2 What’s the policy context?

National policy

8.2.1 Various national policies, strategies and reports have relevance to the region’s economy, and are summarised in Table 19.

8.2.2 *Planning Policy Statement 1: Delivering Sustainable Development* (PPS1) stresses the importance of a strong, stable and productive economy and requires planning authorities to ensure that the necessary infrastructure is provided to support new and existing economic development and housing. Accessibility to jobs and services should also be addressed as a means of achieving social cohesion and inclusion. PPS1 also emphasises the need for Regional Planning Bodies to bring forward “sufficient land of a suitable quality in appropriate locations to meet the expected needs for housing and...a positive planning framework for sustainable economic growth”.

### Table 19: Policies, strategies and reports relevant to the economy

<table>
<thead>
<tr>
<th>Policy / Strategy / Report</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competing in the global economy; the innovation challenge (DfT, 2003)</td>
<td>Builds on the economic measures to stimulate innovation of previous White Papers, including the need for improved funding of science, incentives for knowledge transfer and innovation-driven regional strategies and clusters.</td>
</tr>
<tr>
<td>White Paper Higher Standards, Better Schools For All (DfES, 2005)</td>
<td>States the need to design education around the needs of the individual and increased parental say in how schools are run. The Education and Inspections Act (2006) gives legal force to many of these proposals, including enabling all schools to become Trust schools and local authorities to take on a new strategic role.</td>
</tr>
<tr>
<td>White Paper, 14-19 Education and Skills (DfES, 2005) concerns extending opportunities for 14-19 year olds</td>
<td>Proposals for designing education around the needs of the individual; increased parental say in how schools are run. The Education and Inspections Act (2006) gives legal force to many of these proposals.</td>
</tr>
<tr>
<td>Skills for Life strategy (DfES, 2001)</td>
<td>Improving adult literacy and numeracy skills.</td>
</tr>
<tr>
<td>DTI 10 year Science and Innovation Investment Framework</td>
<td>Sets out what Government intends to do and how actions will be measured</td>
</tr>
<tr>
<td>Select Committee on Environment, Food and Rural Affairs, Eleventh Report, The UK Parliament (2003)</td>
<td>States that government broadband policies have been a success but highlighted a lack of access in rural areas</td>
</tr>
<tr>
<td>Trade and Investment White Paper 2004: making globalisation a force for good</td>
<td>Sets out the Government’s long term vision of using trade policy to boost global prosperity, and how it intends to ensure that globalisation benefits every UK region. States that the UK Government should support British-based business to adjust to more competitive global markets, for the benefit of UK consumers, employees, investors and pensioners, by supporting science and innovation to promote the development of new technologies and more efficient ways of working, and raising skills levels to create a more flexible and productive workforce.</td>
</tr>
<tr>
<td>Leitch Review of Skills, Prosperity for all in the global economy - world class skills (2006)</td>
<td>States that the UK must urgently raise achievements at all levels of skills and recommends that it commit to becoming a world leader in skills by 2020.</td>
</tr>
</tbody>
</table>

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Regional

8.2.3 The Regional Economic Strategy for the South East 2006-2016, developed by the South East England Development Agency\(^{93}\), sets out a vision for the SE by 2016 to be a world class region achieving sustainable prosperity. The goal of the RES is to achieve global competitiveness through smart growth and sustainable prosperity. The strategy is to invest in success, lift underperformance and support quality of life.

8.2.4 Three key challenges are identified in the RES, in addition to targets and aims for the achievement of these objectives are:

- **The Global Challenge** of maintaining competitiveness in the face of intensifying international competition;
- **Smart Growth** through higher productivity and bringing more of the resident SE population into economic growth, thus maintaining higher levels of prosperity per head across the SE without increasing the region’s ecological footprint;
- **Achievement of Sustainable Prosperity** by recognising that long-term regional economic prosperity can only be secured through the principles of sustainable development.

8.2.5 The RES identifies eight transformational actions to achieve the objectives, including a Regional Infrastructure Fund to harness new sources of funding for infrastructure investment and Global Leadership in Environmental Technologies to exploit the business opportunities created by reducing carbon emissions and waste generation.

8.2.6 The RES also outlines three headline targets for the region:

- To achieve an average annual increase in GVA per capita of at least 3%;
- To increase productivity per worker by an average 2.4% annually, from £39,000 in 2005 to at least £50,000 by 2016 (constant prices);
- To reduce the rate of increase in the region’s ecological footprint (from 6.3 global hectares per capita in 2003, currently increasing at 1.1% per capita per annum), stabilise it and seek to reduce it by 2016.

8.2.7 In 2007 SEEDA released further documentation including a RES Implementation Plan, RES Annual Monitoring Report, and documents for the RES SA and SEA\(^{94}\).

8.2.8 The RES Diamonds for Investment and Growth initiative is introduced in Chapter 3. The eight ‘diamonds’ are expected to act as a catalyst to stimulate prosperity across wider areas of the region.

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\(^{94}\) For access to RES documents see: [http://www.seeda.co.uk/res/](http://www.seeda.co.uk/res/)
8.3 What are the key sustainability objectives we need to consider?

8.3.1 Key objectives from the IRF include:

- To reduce poverty and social exclusion and, by improving their performance, close the gap between the most deprived areas in the South East and the rest of the region
- To raise educational achievement levels across the region and develop the opportunities for everyone to acquire the skills needed to find and remain in work
- To ensure high and stable levels of employment so everyone can benefit from the economic growth of the region
- To sustain economic growth and competitiveness across the region by focusing on the principles of smart growth: raising levels of enterprise, productivity and economic activity
- To stimulate economic revival in deprived areas
- To develop a dynamic, diverse and knowledge-based economy that excels in innovation with higher value, lower impact activities
- To develop and maintain a skilled workforce to support long-term competitiveness of the region
- To reduce the global, social and environmental impact of consumption of resources by using sustainably and ethically produced, local or low impact products

8.4 What’s the situation now?

8.4.1 The South East is the “largest and fastest growing regional economy in Britain, accounting for more than 15% of the UK’s GDP”. At current basic prices the South East’s economy is larger than that of many individual countries, such as Austria, Denmark or South Africa. In 2006, the region’s contribution to the UK economy was the second highest of the England regions after London, at a value of £177.2 billion or 15.7% of total GVA. Similarly, in 2006 a residence-based GVA per head of the population of £21,514 was the second highest regional average in the country, and was 15% above the UK average\(^{95}\).

8.4.2 Major strengths in the region’s broad-based economy include:

- technology based services;

---

• advanced manufacturing, (the highest regional output from the manufacturing sector);
• tourism;
• financial services, and;
• construction sectors.

8.4.3 However there are serious disparities in prosperity across the South East, with a wealthy regional core (the belt around London) and poorer periphery (coastal areas). There is a correlation between prosperity and distance (travel time) to London, and a link between exclusion and the location of traditional industries within the periphery. Figure 8, which shows Gross Value Added in sub-areas of the region, reflects this. Although pockets of deprivation and poverty exist throughout the region, they are particularly apparent in eastern and coastal parts.

Figure 8: Gross Value Added (GVA) per capita

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8.4.4 The diverse nature and character of the South East is reflected in regional businesses: whilst a strong central role is played by its cities and towns, nearly a quarter of businesses are based in rural areas.

8.4.5 The region generally has a highly skilled population and high rates of employment. As with many other factors of the South East economy, however, disparities exist across the region, with pockets of low skills, exclusion, low pay and under utilisation of the workforce. One million people are not functionally literate or have problems with numeracy, and about 166,000 people were unemployed in 2003; the third highest number in England’s regions. Furthermore, businesses reported a shortage of labours and skills. Rural areas face particular challenges, caused in part by greater isolation, poor access to services and employment, and restructuring in agriculture.99

8.4.6 For many residents of the South East, owner occupation of housing is not an option, and this is particularly a problem for the economy in terms of pricing key workers – such as nurses, police, teachers and their support staff – out of the regional housing market.

8.4.7 The economy is monitored through a range of indicators in the AMR – see Table 20.

Table 20: Economy indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>pre-2003</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>% people of working age in employment</td>
<td>79</td>
<td>80</td>
<td>78.8</td>
<td>79.0</td>
<td>78.3</td>
<td></td>
</tr>
<tr>
<td>% change in workplace based employment</td>
<td>1.28</td>
<td>1999 – 2004</td>
<td>2.87</td>
<td>-2.23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. people claiming unemployment benefits who have been out of work for more than a year</td>
<td>0.2%</td>
<td>0.2%</td>
<td>12,855</td>
<td>9760</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% change in VAT registered businesses</td>
<td>0.5</td>
<td>0.04</td>
<td>1</td>
<td>-2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GVA per capita (£)</td>
<td>-</td>
<td>17565 / 18500</td>
<td>19373</td>
<td></td>
<td></td>
<td>Narrow gap in GVA per capita between the best and worst performing parts of the region</td>
</tr>
</tbody>
</table>

### Indicator Pre-2003 2003/4 2005 2006 2007 Targets

<table>
<thead>
<tr>
<th>Indicator</th>
<th>pre-2003</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour productivity performance of SE v. other high performing regions in Europe and the world</td>
<td>34th out of 40 in 2003</td>
<td>25.6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% people in the most deprived areas, claiming unemployment benefits who have been out of work for more than one year</td>
<td>1.8</td>
<td>-</td>
<td>0.88</td>
<td>0.69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% people in the most deprived areas of working age in employment</td>
<td>55.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>% people in the most deprived areas, aged 18-42, in full time education or employment</td>
<td>49</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Annual % GVA change in the manufacturing sector</td>
<td>2.7 1992 – 2002</td>
<td>5.5</td>
<td>5</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual % GVA change in the knowledge sector</td>
<td>9.1 1998 – 2003</td>
<td>7.5</td>
<td>11.9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Export of manufactured goods, £/person</td>
<td>~3000 1996-2001</td>
<td>185 2002</td>
<td>187</td>
<td>713</td>
<td></td>
<td></td>
</tr>
<tr>
<td>household income in rural areas (£/week)</td>
<td>370</td>
<td>347</td>
<td>345</td>
<td>366</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>% 19-year-olds with level 2 qualifications</td>
<td>44</td>
<td>36.4</td>
<td>79.3</td>
<td>75.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% population of working age qualified to level 3 qualifications</td>
<td>50</td>
<td>48.6</td>
<td>49.4</td>
<td></td>
<td></td>
<td>significantly raise</td>
</tr>
<tr>
<td>Indicator</td>
<td>pre-2003</td>
<td>2003/4</td>
<td>2005</td>
<td>2006</td>
<td>2007</td>
<td>Targets</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>----------</td>
<td>--------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>---------</td>
</tr>
<tr>
<td>% of adults with poor literacy / numeracy skills</td>
<td>22 / 21</td>
<td>49 / 68</td>
<td></td>
<td></td>
<td></td>
<td>Reduce</td>
</tr>
</tbody>
</table>


8.5 What will be the situation without the plan?

8.5.1 In the short to medium term, the economy of the region is likely to keep thriving, at least relative to other regions, regardless of whether there is an RSS or not (notwithstanding the current downturn). The region’s proximity to London, its role as a major gateway to the UK and continental Europe, and Government’s promotion of major growth at Thames Gateway, Milton Keynes – South Midlands and Ashford will all contribute to maintaining the region’s economic buoyancy.

8.5.2 In the longer run, a lack of adequate housing and increasing infrastructure constraints would make the region less attractive for businesses, as would declining environmental quality.

8.6 What would have been the situation under the Draft South East Plan?

8.6.1 The SA of the Draft South East Plan concluded that the draft plan would have mixed or uncertain impacts on the economy, and that it could go much further in promoting economic growth:

8.6.2 “The Plan assumes a regional GVA rate of approximately 3% pa which if achieved is likely to produce more employment opportunities and encourage in-migration within the region as a whole. Policies are in place to support access to the labour market, although the lower growth rates in the Preferred Spatial Strategy are unlikely to meet all the housing requirements of the region’s economy if higher economic growth rates were expected. It is less clear whether all communities within the South East will benefit from employment and economic growth as the Plan has only a relatively limited focus on those parts of the region which suffer from deprivation. There are differences in employment projects used by the RES and the Plan. These differences need to be monitored...”
8.6.3 It noted that the sub-regions’ strategies for attracting low-impact growth could be improved, and that the Draft South East Plan would be unlikely to actively “develop a dynamic, diverse and knowledge-based economy that excels in innovation with higher value, lower impact activities”.

8.6.4 The SA suggested that the plan might not focus sufficiently on intra regional disparities and areas of deprivation. Sub-regions may have difficulty in effectively influencing employment growth in areas where employment creation had proved difficult in the past. Although the plan identified areas where a particular regeneration focus is needed, it only made vague policy commitments for these areas. The SA suggested that the plan needed to better integrate economic growth and regeneration with housing provision.

8.6.5 The SA raised concerns about the links between housing and jobs in the plan. It identified affordable housing as being vital to the economy of the region and the development of balanced, sustainable communities, and highlighted the potentially significant economic impacts that could arise from not meeting the affordable housing targets. It also raised concerns as to whether or not jobs will keep pace with housing development in some sub-regional areas. It highlighted the Kent Thames Gateway, for example, as potentially having difficulty in making employment ‘stick’.

8.6.6 The SA also highlighted the importance of maintenance and building infrastructure is essential to servicing the regional economy and its residents, and noted that the lack of spatial definition in the Draft Plan made it difficult to assess this capacity.

8.7 What would have been the situation under the Draft Proposed Changes?

8.7.1 The Draft Proposed Changes deal with many of the limitations identified by the SA, and are much more likely to support economic growth, a knowledge-based economy, and economic revival of deprived areas. They provide greater spatial specificity, which should help to ensure that the plan is implemented effectively. The Draft Proposed Changes also stress the need for co-ordinated effort and cross-boundary working to better align economic and housing growth, deliver adequate infrastructure, and planning for sustainable development.

8.7.2 Draft Proposed Changes that were likely to significantly improve the economy and skills included:

- **Policy RE1 Contributing to the UK’s Long Term Competitiveness.** This is a new policy that aims to provide an enabling context to ensure that the regional economy contributes to the UK’s long term competitiveness. This introduces flexibility to LDDs, enabling positive response to (often unpredictable) changes in global economy and the economic needs of the region, such as the need for businesses and individuals to adapt swiftly and take advantage of new
opportunities. The policy should increase the region’s competitiveness, and addresses the importance of the inter-regional context.

- **Policy RE3 Employment and Land Provision.** This now includes a table showing job targets for each sub-region. The policy notes that LDDs should facilitate a flexible supply of land to meet the varying needs of the economic sectors, and, if possible, both housing and employment reviews should be undertaken in parallel.

- **Policy RE4 Human Resource Development,** which addresses concerns about knowledge-based economy being ill-defined in the Draft South East Plan

- **Policy RE5 Smart Growth.** This is another new policy which aims to increase the region’s prosperity whilst reducing the rate of increase in its ecological footprint. It aims to enable businesses to work as efficiently as possible through six key drivers of productivity: employment; enterprise; innovation and creativity; skills; competition, and; investment in infrastructure (including transport and physical development). Although these drivers will be focused on more economically buoyant parts of the region, smart growth will also be addressed in all parts of the region including less prosperous areas such as the coast, by bolstering the labour force through the removal of barriers to work and enhancing skills levels.

8.7.3 The policies on housing provision (H1) and affordable housing (H2) provided significant support to these economic policies, by promoting the provision of more housing in areas of economic growth; and helping to provide housing for key workers.

8.7.4 Sub-regional policy changes that were likely to significantly improve the economy and skills included:

- **Policy GAT1 Spatial Strategy** gives much greater emphasis than before to “maximising the potential for sustainable economic growth” in the Gatwick sub-region. This is supported by significant additional housing allocations in the Gatwick area.

- **Policy LF6 Economic Development** more actively promotes economic development in the London Fringe region. For instance, instead of proposals for employment-related development being considered ‘in the context of the vitality of the local economy’, consideration must now be given to ‘the evidence of local and strategic demand for employment floorspace; the broad balance between labour supply and demand...”.

- **Policy EKA5 The Gateway Role** supports the growth of the East Kent and Ashford gateways as ‘catalysts for economic development’ and supports the continuing growth of Kent International Airport.

- **Policy SCT3 Management of Existing Employment Sites and Premises** lists eleven strategic sites with economic development potential.
128

- **Policy SH3 Scale, Location and Type of Employment Development** specifies the development of a Strategic Employment area in Eastleigh Borough Council

8.7.5 Jointly, these changes are likely to increase employment and competitiveness, improve the role of innovation and knowledge-driven industry to the region’s economy; address concerns about intra-regional disparities. That said, the Draft Proposed Changes’ focus on economically buoyant areas risks further marginalising the more outlying, deprived parts of the region.

8.7.6 Although the weakening of policy CC7 on infrastructure may have short-term economic benefits in reducing constraints to development, it is likely to have longer-term negative implications for the economy: this is discussed further in Chapter 4.

8.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

8.8.1 The SA of the Proposed Changes concluded that Policy CC7 should be strengthened – see Chapter 4 - and that there should be a greater focus on the tourism sector.

8.8.2 The Secretary of State’s response to our recommendation is set out below.

<table>
<thead>
<tr>
<th>SA recommendation</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tourism</strong></td>
<td>The principle of promoting tourism to boost the economy is noted. Chapter 15 contains already extensive guidance and policy on tourism, including policy on coastal resorts and rural areas. Policy BE7 refers to historical features (many in identified hubs) that draw investment. Area based chapters (e.g. Isle of Wight) contain policies on tourism and the economy. The reasons for designation of the 22 hubs in chapter 4 include, in some cases tourism, e.g. Canterbury. However it is not possibly to apply a tourism dimension to all hubs as many are not regarded as particular tourism destinations.</td>
<td>Further reference to tourism in Brighton and Oxford added to SP2 Regional Hubs.</td>
</tr>
</tbody>
</table>
8.9 What will be the situation under the Final Revisions / South East Plan?

Significant changes

8.9.1 The level housing provision is crucial to supporting economic growth. The Final Revisions reduce the overall level of housing provision in the region from 33,125 dpa to 32,700 dpa including in areas of high demand and affordability issues (which can have impacts on labour mobility). From an economic point of view, the reduction in overall provision to 32,700 dpa is likely to be negative in its impacts. However, the reduction is relatively small and its impacts should be correspondingly small (although see below).

8.9.2 In relation to economic growth, the Final Revisions include various changes which could potentially impact on growth including (notwithstanding the current downturn), for example, Policy TSR2 which promotes locally produced products, such as food and crafts. However, overall the impact of these is likely to be minor. However, the update of CO2 reduction targets is likely to increase the pressure for a transition to a low carbon economy.

Residual impacts

8.9.3 A key issue for the economy is the widening gulf between the level of housing provision enshrined in regional policy and the actual level of housing need. The latest household projections (March 2009) indicate that 39,000 new households will emerge per year in the South East from 2006 to 2031. This indicates a shortfall of over 6,000 dpa not even taking into account the existing housing backlog. The existing economic climate and the downturn in the construction sector will only worsen the situation and it remains to be seen whether provision can rapidly increase over-and-above past delivery rates once the upturn begins. The economic impacts of the cumulative shortfall in housing provision are difficult to clearly envisage but will clearly be significant. The Final Revisions state that “The next review of this RSS also needs to review the current levels of housing and a higher rate of provision than 32,700 dwellings per annum is likely to be necessary to meet the strategic needs in the region”.

8.9.4 In relation to deprivation, there appears to be little movement in tackling persistent inequalities in the region. The 2007 AMR states that the disparity in economic performance across the region remains significant and of concern, not least the continued differences between the generally more affluent north and west parts of the region as opposed to the less economically successful south and east of the region.

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8.10 Conclusions on the economy

8.10.1 Although Regional Economic Strategies are the main regional-level drivers of economic growth and employment, RSSs play a significant supporting role. They can help to ensure that there is a good balance of housing and employment in various parts of the region; identify areas for regional-level employment sites; direct employment to areas in greatest need of it; and help to provide adequate supporting infrastructure (notably transport infrastructure). The RSS for the South East generally supports economic growth in the region, although it could do more to ensure that this goes to the areas that need it most, and to provide supporting infrastructure.

<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Final South East Plan</th>
<th>Final South East Plan plus other plans, programmes etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short/medium term (to about 2020)</td>
<td>The RSS supports economic growth, a knowledge-based economy, and economic revival of deprived areas. It should help to ensure that the plan is implemented effectively. It stresses the need for co-ordinated effort and cross-boundary working to better align economic and housing growth, deliver adequate infrastructure, and planning for sustainable development. Policies on housing provision and affordable housing provide significant support to the economy, although housing provision may not be adequate.</td>
<td>In the short to medium term, the economy of the region is likely to keep thriving, at least relative to other regions (notwithstanding the current downturn). The region’s proximity to London, its role as a major gateway to the UK and continental Europe, and Government’s promotion of major growth at Thames Gateway, Milton Keynes – South Midlands and Ashford will all contribute to maintaining the region’s economic buoyancy. The Regional Economic Strategy is also a major driver of economic growth in the region.</td>
</tr>
<tr>
<td>Long term (beyond 2020)</td>
<td>In the longer run, a lack of adequate housing and increasing infrastructure constraints could make the region less attractive for businesses, as would increasing congestion on the roads and decreasing environmental quality.</td>
<td></td>
</tr>
<tr>
<td>Areas likely to be significantly affected</td>
<td>It is unclear whether all communities within the South East will benefit from employment and economic growth, as the RSS has a relatively limited focus on pockets of deprivation. Areas that are currently deprived are likely to continue to be deprived relative to the rest of the region.</td>
<td></td>
</tr>
<tr>
<td>Permanent vs. temporary</td>
<td>Economic growth is by definition temporary. However the conditions needed to engender such growth have much more permanent effects: for instance good infrastructure, good balance of housing to employment, and good accessibility to jobs.</td>
<td></td>
</tr>
<tr>
<td>Secondary</td>
<td>Economic growth is likely to have positive impacts on human health and community wellbeing. Generally speaking, it can lead to negative impacts on air and water quality, water resources, and biodiversity.</td>
<td></td>
</tr>
</tbody>
</table>
9 Flood risk

9.1 Introduction

9.1.1 Government guidance on flood risk emphasises that although flooding cannot be wholly prevented, its impacts can be avoided and reduced through good planning and management101. As a consequence of climate change, the current Pitt Review has emphasised that flood risk is here to stay102. About 300,000 homes in the region are currently at risk of flooding, and this number will increase with climate change.

9.2 What’s the policy context?

9.2.1 Policy Planning Statement 25 on planning and flood risk aims to ensure that flood risk is taken into account at all stages in the planning process. It states that planning authorities should frame policies for the location of development which avoid flood risk to people and property where possible, and manage any residual risk, taking account of the impacts of climate change103. The PPS states that the Regional Planning Body should take flood risk into account in determining RSS strategic planning considerations, including the criteria to be used for selecting and determining broad strategic locations for housing provision and transport infrastructure.

9.2.2 Since 1 January 2009, members of the Association of British Insurers (ABI) no longer commit to continuing to offer flood cover to existing domestic properties and small businesses at significant flood risk providing the Environment Agency plans to reduce the risk below ‘significant’ within five years. Instead, “The ABI encourages developers and customers purchasing a property in a new development to ensure that it is insurable for flooding”104.


102 In August 2007, Sir Michael Pitt was asked by Ministers to conduct an independent review of the flooding emergency that took place in June and July 2007. His interim report Learning lessons from the 2007 floods is available at: http://www.cabinetoffice.gov.uk/thepittreview/interim_report.aspx.


9.3 What are the key sustainability objectives we need to consider?

9.3.1 Key objectives from the IRF include:

- To reduce the risk of flooding and the resulting detriment to public wellbeing, the economy and the environment

9.4 What’s the situation now?

9.4.1 Figure 9 illustrates the extent of flood risk in the South East.

Figure 9: Flood risk in the South East
9.4.2 Between 1996 and 2005, roughly 6% of land area in the South East changing to residential uses was in flood risk areas, and about 8% of new dwellings in the region were in flood risk areas\textsuperscript{105}. Annual Monitoring Review information suggests that roughly 300,000 homes in the region are currently at risk of flooding – see Table 21.

Table 21: Flood risk indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Properties at risk from flooding</td>
<td>235,602</td>
<td>235,000</td>
<td>310,000</td>
<td>280,000</td>
<td></td>
</tr>
<tr>
<td>% new dwellings built in areas of high flood risk</td>
<td>8</td>
<td>7</td>
<td>8</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>No. planning permissions granted contrary to</td>
<td></td>
<td>715</td>
<td>718</td>
<td>5 planning permissions</td>
<td></td>
</tr>
<tr>
<td>Environment Agency advice on grounds of flood</td>
<td></td>
<td>objections</td>
<td>objections</td>
<td></td>
<td></td>
</tr>
<tr>
<td>defence or water quality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New developments with sustainable drainage installed</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>All</td>
</tr>
</tbody>
</table>

9.4.3 A November 2006 regional flood risk appraisal (RFRA)\textsuperscript{106} and a subsequent update\textsuperscript{107} indicated that more than 10% of the land area of Kent, north Surrey, and the coastal districts is in flood zone 3; with more than 30% of Medway and Swale districts in flood zone 3 (see Figure 10). A roughly similar situation exists for flood zone 2, with north Surrey and east Berkshire authorities being proportionately more affected.


\textsuperscript{107} SEERA / Halcrow (undated). Update of Regional Flood Risk Appraisal: Workshop Information
9.5 What will be the situation without the plan?

9.5.1 Flood risk is likely to increase in the future even if no further development took place in the region, due to the effects of climate change. Rising sea levels will increase coastal flooding; and increased rain in the winter and stronger storm events will increase fluvial flooding\textsuperscript{108}.

9.5.2 The Pitt Review concluded that flood risk will increase in the future: “The scale of the problem is... likely to get worse... events of this kind are expected to become more frequent... climate change has the potential to cause even more extreme scenarios than were previously considered possible. The country must adapt to increasing flood risk.”\textsuperscript{109}.

9.5.3 PPS25 aims are to ensure that flood risk is taken into account at all stages in the planning process to avoid inappropriate development in areas at risk of flooding, and to direct development away from areas of highest risk. Where new development is necessary in such areas, PPS25 aims to make it safe, without increasing flood risk elsewhere\textsuperscript{110}. As of October 2007, strategic flood risk assessments (SFRAs) had been


begun by all districts in the South East except Dover and Milton Keynes, but Stage 2 SFRAs had only been completed by six districts\textsuperscript{111}.

9.5.4 Some areas may also be at increased risk of flooding due to development in other regions. For instance, more housing would be built in East London as a result of the London Plan. This could lead to more flood defences being built and more runoff to the River Thames, increasing risk to downstream areas in Kent.

9.6 What would have been the situation under the Draft South East Plan?

9.6.1 Key policies in the draft South East Plan that were likely to increase flood risk were:

- H1 Housing Provision, which required provision of 28,900 additional homes per year to 2026.
- KTG6 Employment Locations, which promotes major employment sites in Dartford, Ebbsfleet, Medway, Sittingbourne and the Isle of Sheppey, all of which have significant areas that prone to flooding.

9.6.2 Key policies that aimed to minimise or counter these impacts were:

- Policies CC2 (climate change) and NRM1 (sustainable water resources) which promoted increased flood storage capacity and flood management.
- NRM3 Sustainable Flood Risk Management, which required local authorities to undertake SFRAs, promote the use of Sustainable Urban Drainage Systems, and follow PPS25’s sequential approach to development in flood risk areas; and existing flood defences to be protected from development.
- KT9 Flood Risk, which broadly required the same thing but particularly for the Thames Gateway area.

9.6.3 Key policies that aimed to minimise or counter these impacts were:

- NRM3 Sustainable Flood Risk Management, which required local authorities to undertake SFRAs, and to follow PPS25’s sequential approach to development in flood risk areas; and existing flood defences to be protected from development.
- KT9 Flood Risk, which broadly requires the same thing but particularly for the Thames Gateway area.

9.6.4 The SA of the Draft South East Plan noted that flooding could be a problem for parts of the Sussex Coast, East Kent and Ashford, Central Oxfordshire and Milton Keynes and Aylesbury Vale sub-regions. The regional flood risk appraisal identified some flood

\textsuperscript{111} Environment Agency, pers. comm. Dover’s has now been undertaken.
problems in all the sub-regions; documented Environment Agency concerns; and noted how the sub-regions had considered flood risk issues when drawing up their policies: see Table 22.

9.6.5 A workshop on the RFRA\textsuperscript{112} identified areas of the region which are expected to be subject to high growth and high flood risk:

- Milton Keynes
- Didcot
- Ashford
- Aylesbury
- Crawley
- Kent – Thames Gateway
- PUSH

9.6.6 Policies CC2 (climate change) and NRM1 (sustainable water resources) promoted increased flood storage capacity and flood management. Policy NRM3 (sustainable flood risk management) promotes the sequential approach to development set out in PPS25; protection of existing flood defences; and the use of Sustainable Urban Drainage Systems.

\textsuperscript{112} SEERA / Halcrow (undated). \textit{Update of Regional Flood Risk Appraisal: Workshop Information}
Table 22: Flood risk issues and actions by the sub-regions

<table>
<thead>
<tr>
<th>Sub-region</th>
<th>SA observation</th>
<th>EA contributions</th>
<th>Action by sub-region</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Hampshire</td>
<td>Parts of Portsmouth, Southampton and Hayling Island particularly at risk of coastal flooding. There is the need to consider flood defences, flood resilient design and managed retreat.</td>
<td>Concerns about proposed additional housing provision in the light of sea level rise</td>
<td>Significant investment in coastal defences will be needed to protect existing and proposed properties. No significant development is proposed on Hayling Island. The only development proposed in areas at risk of flooding is on sites within existing built-up areas. Those areas will need to continue to be defended</td>
</tr>
<tr>
<td>Sussex Coast</td>
<td>Localised risks particularly in parts of Eastbourne and between Chichester and Angmering. There is a need to address sustainable drainage.</td>
<td>Development within tidal flood risk areas may be feasible under certain circumstances. Flood mitigation works will be required at Lewes and ports such as Newhaven</td>
<td>Growth was mainly allocated within the existing urban areas</td>
</tr>
<tr>
<td>East Kent / Ashford</td>
<td>Greatest fluvial risk in Ashford and Stour Valley. Considerable coastal risk in Shepway and Thanet. Significant investment in flood defences may be needed</td>
<td></td>
<td>No significant extra housing is proposed for the southern fringes of the Borough which are very vulnerable to flooding. Most of the growth is proposed for the urban area of Ashford. Important issues could include flood control, the location of development, and potential downstream consequences</td>
</tr>
<tr>
<td>Kent Thames Gateway</td>
<td>Many major development sites are located within the Flood Zones, but sub-regional policy KTG9 requires SFRAs</td>
<td>Measures can be found to ensure that development can progress. However, there may be additional costs and design implications</td>
<td>Major development sites were identified as part of the Government’s Sustainable Communities Plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location</th>
<th>Areas of the Lower Thames Valley and Mole and Wey Valleys are particularly at risk. Further investment in defences and mitigation may be necessary</th>
<th>The majority of large residential commitments are located outside the flood zones. Otherwise justification is provided. The flood risk on development sites within the built-up area, especially in the Lower Thames Valley may act as a constraint on future housing potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Corridor Blackwater Valley</td>
<td>Significant areas are located within flood risk zones</td>
<td>There is uncertainty about flood risk with regard to the housing distribution in policy WCBV3. The housing provision in north Hampshire districts can be accommodated without the need to build on areas at risk of flooding</td>
</tr>
<tr>
<td>Central Oxfordshire</td>
<td>There are extensive flood risk areas in particular around Oxford</td>
<td></td>
</tr>
<tr>
<td>Milton Keynes Aylesbury Vale</td>
<td>Areas of flood risk around both Milton Keynes and Aylesbury. Policy MKAV3 addresses drainage management</td>
<td>Milton Keynes already has a functioning surface water balance network. The new expansion areas in the adopted Local Plan will include additional balancing lake provision</td>
</tr>
<tr>
<td>Gatwick</td>
<td>Close cooperation with Environment Agency undertaken in areas targeted for development such as Crawley and Horley</td>
<td>A detailed flood risk assessment had been undertaken for the development sites at Horley. No other locations had been specified in the sub-regional strategy. There are sufficient sites outside the flood zones to meet the SE Plan housing allocations including the potentials within the urban area of Crawley. At Horley development was limited in order to accommodate flood risk.</td>
</tr>
<tr>
<td>Isle of Wight</td>
<td>Significant areas along the coast, estuaries and the rivers within flood zone</td>
<td>The majority of growth will be in existing settlements located on or close to the coast and/or estuaries.</td>
</tr>
</tbody>
</table>
9.7 What would have been the situation under the Draft Proposed Changes?

9.7.1 Key additional or changed policies in the Proposed Changes that were likely to increase flooding were:

- H1 Housing Provision required provision of an additional 33,125 (almost an extra 15%) more homes per year to 2026.
- SCT3 Management of Existing Employment Sites and Premises.

9.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

9.8.1 The SA for the Proposed Changes found that most of the additional housing development resulting from the proposed changes could be accommodated outside the flood risk zone. New proposals that were in areas shown on the Environment Agency as likely to flood, and for which it was difficult to see how they could be developed without increasing flood risk included:

- Adur - 10,000 homes at Shoreham Harbour
- Gatwick – 3,600 homes; Reigate and Banstead – from 7,740 to 11,240 homes; Crawley – from 7,000 to 7,500 homes
- West Berkshire SDA – 7,500 homes in South West Reading
- Several of the employment sites identified in SCT3: north of Bognor Regis, Shoreham Harbour, Shoreham Airport, Newhaven Eastside, access routes to Newhaven Port, Eastbourne Park and Eastbourne Sovereign Harbour.

9.8.2 The wording of CC5 (renumbered CC7 Infrastructure and Implementation) had also been weakened to 1. no longer refer to providing for current needs and 2. remove the section iii. ‘conditionality clause’ (see Chapter 4), thus potentially increasing flood risk due to lack of certainty about infrastructure provision. The proposed changes included modifications to the policy on sustainable flood risk management (now NRM4) to include consideration of surface water flooding.

9.8.3 The SA recommended that, given the lack of certainty over whether the developments proposed for the Gatwick and West Berkshire areas could be accommodated in areas that are not in the flood zone, either SFRAs should be prepared and considered before housing allocations for those areas were finalised or the scale of the housing allocations should be reconsidered. Given that development Shoreham Harbour would definitely require improved flood defences, justification should be provided for why this
development should go ahead, in light of other possible options for development in the region.

9.8.4 It also recommended removal of north of Bognor Regis, Shoreham Harbour, Shoreham Airport, Newhaven Eastside and Port, Eastbourne Park and Eastbourne Sovereign Harbour from the list of employment development in SCT3, unless the Regional Flood Risk Assessment showed that no other suitable sites outside the flood risk zone were available; and that Policy CC7 should be rewritten to reinstate the conditionality clause.

9.8.5 The Secretary of State’s response to these recommendations is set out below.

<table>
<thead>
<tr>
<th>SA recommendation</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Development at Gatwick and West Berkshire</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Given the lack of certainty over whether the developments proposed for the Gatwick and West Berkshire areas can be accommodated in areas that are not in the flood zone, we recommend that either SFRAs should be prepared and considered before housing allocations for those areas are finalised or the scale of the housing allocations should be reconsidered. Given that development at Shoreham Harbour would definitely require improved flood defences, justification should be provided for why this development should go ahead, in light of other possible options for development in the region.</td>
<td>New text in SCT3 Management of Existing Employment Sites and Premises states: “Development proposals identified in this list will need to comply with policy set out in NRM4, NRM5 and PPS25.” This would cover Shoreham Harbour.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>West Berkshire SDA has been removed from the RSS</td>
<td></td>
</tr>
<tr>
<td><strong>Development at employment sites in the Sussex Coast sub-region</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Removal of north of Bognor Regis, Shoreham Harbour, Shoreham Airport, Newhaven Eastside and Port, Eastbourne Park and Eastbourne Sovereign Harbour from the list of employment development in SCT3, unless the Regional Flood Risk Assessment shows that no other suitable sites outside the flood risk zone are available.</td>
<td>New text in SCT3 Management of Existing Employment Sites and Premises states: “Development proposals identified in this list will need to comply with policy set out in NRM4, NRM5 and PPS25.”</td>
<td></td>
</tr>
</tbody>
</table>
9.8.6 The full RFRA of 2008 was published after the Proposed Changes had been published. It was based on the housing numbers/locations in the Proposed Changes, and considered in more detail the characteristics of areas expected to be subject to both high growth and high flood risk. Table 23 summarises the appraisal findings concerning the basic flood characteristics of these areas.

**Table 23: Flood risk issues and actions by the sub-regions (2)**

| Sub-region                | Present day inherent flood risk | Climate change inherent flood risk scenario | Residual risk of flooding | Level of structural mitigation
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kent Thames Gateway</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>S. Hampshire Region</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>Moderate</td>
</tr>
<tr>
<td>Shoreham Harbour</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Ashford</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Aylesbury</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>Moderate</td>
</tr>
<tr>
<td>Reading</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Didcot</td>
<td>High</td>
<td>high</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Oxford</td>
<td>High</td>
<td>High</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Milton Keynes</td>
<td>Moderate</td>
<td>High</td>
<td>High</td>
<td>Moderate</td>
</tr>
<tr>
<td>Crawley</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
</table>

a. Risk which remains after all risk avoidance, reduction and mitigation measures have been implemented  
b. Level of protection with regard to flood defences and flood storage reservoirs when compared to the minimum standard of protection

9.8.7 Comments from the RFRA regarding proposed avoidance and mitigation measures to be considered for the RSS include:

- Kent Thames Gateway: “In view of the consequences resulting from a breach or overtopping of tidal and coastal defences it is important that a high standard of protection is not viewed as an enabler for development and any proposals adhere to the requirements of PPS25… in order to adequately manage the risk of flooding to existing developments, the defences will need to be maintained, refurbished, and upgraded or set-back and replaced in a suitable manner”.
• South Hampshire region: “When assessed at the LPA area scale, some of the housing targets may not be feasible due to the extent of the Flood Zones 2 and 3 within some LPA areas; in particular, the administrative areas of Portsmouth, Southampton and Gosport are significantly constrained. Consideration may need to be given to revising the distribution of dwellings within and across the LPA areas.”

• Shoreham Harbour: “Considering the extent of Flood Zones 2 and 3 within the area, it has to be investigated further whether this housing target is feasible, how it can be achieved and how the required investment can be funded.”

• Ashford: “Ashford has a high proportion of its area within the flood zones although the flood defences have helped reduce the risk. However there is also a residual risk associated with the reservoirs… The town should be further evaluated to ensure proposed development locations are outside of flood risk areas.”

• Aylesbury: “As long as the risk of surface water flooding is managed appropriately, the current level of proposed development seems reasonable from a regional perspective. However, the capacity for any additional growth would have to be reassessed in accordance with Aylesbury’s SFRA prior to any further development allocations.”

• Reading: “Development in Reading is limited by flood risk, particularly in South Reading where the natural floodplain should be safeguarded. However, there is potential for further development in lower flood risk locations within Greater Reading.”

• Didcot: “The proposed development locations for Didcot should be considered in light of the high level of inherent flood risk and high risk of further exacerbation due to climate change… inherent flood risk may be manageable.”

• Oxford: “New development should be directed to those areas across Oxford which are identified as being outside of the floodplain. Safeguarding the remaining areas of undeveloped floodplain is very important.”

9.9 What will be the situation under the Final Revisions / South East Plan?

Significant changes

9.9.1 The Final South East Plan includes a range of new references to the need for Strategic Flood Risk Assessments, and to possibly ‘phase’ housing to respond to the assessment findings. These relate closely to concerns and recommendations put forward by the Environment Agency in its consultation response on the Proposed Changes. Table 24 shows the key changes.
Table 24: Flooding related changes in Final South East Plan

<table>
<thead>
<tr>
<th>Location</th>
<th>Environment Agency comment</th>
<th>Changes made in Final Revisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Hampshire</td>
<td>A Level 2 SFRA should be completed by the PUSH authorities to further inform the sub-regional distribution of housing provision</td>
<td>SH5 now includes supporting text which states that PUSH authorities should carry out a level 2 Strategic Flood Risk Assessment, and that this should be used to inform sub-regional housing distribution. Reduction in H1 housing allocations from 70,300 to 68,900</td>
</tr>
<tr>
<td>London Fringe</td>
<td>Phasing of housing targets should be subject to management of flood risk; where targets cannot be met as a result of unacceptable increase in flood risk, this will be reflected in the LDF and review of the RSS</td>
<td>LF3 now states that “The selective reviews of the Green Belt to accommodate the sustainable urban extensions at Guildford and possibly at Woking will need to be informed by flood risk assessments.” Reduction in H1 housing allocations from 48,620 to 47,880.</td>
</tr>
<tr>
<td>Western Corridor and Blackwater Valley</td>
<td></td>
<td>WCBV3 now states that &quot;the distribution of development should be informed by strategic flood risk assessments&quot;.</td>
</tr>
<tr>
<td>Milton Keynes</td>
<td>Growth must be informed by a suitably robust Level 2 SFRA; phasing of housing targets should be subject to management of flood risk; where targets cannot be met as a result of unacceptable increase in flood risk, this will be reflected in the LDF and review of the RSS</td>
<td>Removal of housing east of the M1 Motorway. We understand from GOSE that this deals with the Environment Agency’s concern about flooding at Milton Keynes.</td>
</tr>
</tbody>
</table>

Residual impacts

9.9.2 Policy NRM4 on sustainable flood risk management will help to ensure that flood risk is appropriately managed in most parts of the region. However, despite this policy and other mitigation measures, the Final South East Plan is still likely to increase flood risk. Key areas of concern are as follows:

- London Fringe: Although the selective review of the Green Belt is expected to be informed by a SFRA, the RSS does not allow the possibility for a review of LDF and RSS housing numbers if housing targets cannot be met without an unacceptable increase if flood risk.
• Western Corridor and Blackwater Valley: Although housing distribution is expected to be informed by a SFRA, the RSS does not allow the possibility for a review of LDF and RSS housing numbers if housing targets cannot be met without an unacceptable increase if flood risk.

• Kent Thames Gateway – Policy KTG6 on flood risk aims to minimise the flood risk implications of new development in the area. However flooding is likely to continue to remain a concern in the sub-region.

• Shoreham Harbour. The SFRA for Adur concluded for Shoreham Harbour: “Considerable actual risk. Inundation from the River Adur and from tidal surge. Defences not to appropriate standard. Some sites would lie in Rapid Inundation Zones following a breach of defences... May need to reconsider allocation of development type within preferred area. Some areas likely to be unsuitable for vulnerable development. Will have to carefully look at development phasing. Most development proposals will need to identify strategic solutions to minimise flood risk”\(^\text{114}\). These findings are supported by the RFRA.

9.9.3 Adur and Worthing councils noted at the EiP that development at Shoreham Harbour could only proceed if improved flood defences are provided\(^\text{115}\). Flooding would need to be considered when access routes to the development are planned. The Environment Agency recommends that the Shoreham Harbour allocations be removed from H1 unless flood risk issues are resolved.

9.9.4 Despite these concerns, GOSE has decided to keep Shoreham Harbour as a SDA and growth point in policies H1, SCT3 and SCT5, with an interim figure of 10,000 new homes plus employment. Policy SCT5 notes that “The interim figure of 10,000 dwellings for Shoreham Harbour will be subject to detailed studies (including a flood risk assessment) and assistance from the agencies as part of the strategic regeneration of the port.” GOSE sees Shoreham Harbour as a priority area of regeneration and economic growth for the Sussex Coast sub-region, and believes that flooding concerns can be dealt with through improved flood defences.

• SCT3 employment sites. SCT3 promotes employment development at sites north of Bognor Regis, Shoreham Harbour, Shoreham Airport, Newhaven Eastside and Port (the proposed port extension is not itself in the floodplain, but the access routes to it are), Eastbourne Park and Eastbourne Sovereign Harbour. All are in areas of flood risk (see figure 11). Shoreham Airport and Eastbourne Park are also adjacent to areas of biodiversity importance; and the Final Revisions’ change to the supporting text, which would allow mixed use schemes on these sites in exceptional circumstances, suggests that the sites may not be fully viable as employment sites.


9.9.5 Both the SA for the Preferred Changes and a draft of this SA recommended that most of the employment sites in Policy SCT3 should be removed on grounds of biodiversity and flooding. However, GOSE have decided to retain them because of the need to support economic development in the Sussex Coast sub-region. GOSE also believe that Policy SCT3’s reference to policy NRM4 (Sustainable Flood Risk Management) and PPS25 will help to minimise flood risk.

Figure 11: Employment sites in flood risk areas
### 9.10 Conclusions on flood risk

9.10.1 RSSs have a key role in minimising the impacts of flooding in the region by steering new development towards areas that are not subject to flood risk. Although a Regional Flood Risk Assessment was prepared for the RSS for the South East, this came too late to significantly influence the RSS, and the RSS proposes development in many areas where it is likely to exacerbate flood risk. Some of this is due to the Government’s promotion of development in the Thames Gateway.

<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Final South East Plan</th>
<th>Final South East Plan plus other plans, programmes etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short/medium term (to about 2020)</strong></td>
<td>Policy NRM4 notes that a sequential approach to flood risk should be followed. However, the RSS proposes a range of regionally important developments in areas of flood risk (e.g. employment development in policy SCT3). It also proposes significant housing development in local authorities which have a large proportion of land in areas of flood risk (e.g. authorities in the Thames Gateway).</td>
<td>Climate change is likely to exacerbate flooding in the region. Development in adjacent regions could also exacerbate flooding in the South East.</td>
</tr>
<tr>
<td><strong>Long term (beyond 2020)</strong></td>
<td>As the RSS policies are implemented, increasing development is likely to take place in areas of flood risk</td>
<td>Flooding is likely to increase with climate change; development in other regions could increase risk of fluvial flooding in South East</td>
</tr>
<tr>
<td><strong>Areas likely to be significantly affected</strong></td>
<td>Areas subject to increased flood risk as a result of the RSS include parts of the Sussex coast, East Kent and Ashford, Central Oxfordshire and Didcot, Milton Keynes and Aylesbury, and parts of South Hampshire. Additional areas likely to be significantly affected are north of Bognor Regis, Shoreham Harbour, Shoreham Airport; Newhaven Eastside and Port, Eastbourne Park and Eastbourne Sovereign Harbour.</td>
<td></td>
</tr>
<tr>
<td><strong>Permanent vs. temporary</strong></td>
<td>Most development in areas of flood risk is likely to be permanent</td>
<td></td>
</tr>
<tr>
<td><strong>Secondary</strong></td>
<td>Flooding affects human health and wellbeing, the economy, biodiversity and transport.</td>
<td></td>
</tr>
</tbody>
</table>

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April 2009

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10 Housing and affordable housing

10.1 Introduction

10.1.1 The Panel Report acknowledged that “The scale of housing growth proposed was the single most controversial issue within the representations to the draft Plan”. In developing the Proposed Changes, the Secretary of State proposed options in relation to housing provision (see Chapter 3) and the housing numbers changed further at the Final Revisions stage. Affordable housing is obviously a critical issue in the South East.

10.2 What’s the policy context?

10.2.1 The Government’s key housing policy goal, as set out in Planning Policy Statement 3: Housing (PPS3)\textsuperscript{116} is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. In particular, the planning system should deliver a “sufficient quantity of housing taking into account need and demand and seeking to improve choice”. In determining levels of housing provision, PPS3 stresses that Regional Planning Bodies (RPBs) should take into account evidence of current and future levels of need and demand for housing including the Government’s latest published housing projections, as well as affordability levels.

10.2.2 The 2007 Housing Green Paper, Homes for the future: more affordable, more sustainable\textsuperscript{117}, identified three key challenges in relation to housing: demand for homes to buy or rent is growing faster than supply; as house prices have grown faster than wages, it is becoming increasingly difficult for young people to get a step on the housing ladder; and climate changes means that we need to provide greener, better-designed housing for the future. In light of this, the Green Paper commits the Government to working with partners to provide:

\begin{itemize}
    \item more homes to meet growing demand;
    \item well-designed and greener homes, linked to good schools, transport and healthcare; and
    \item more affordable homes to buy or rent.
\end{itemize}

10.2.3 In terms of providing more homes, the Green Paper sets a target of delivering 240,000 additional homes a year by 2016 to meet growing demand and address affordability issues. The level of housing supply is assumed to increase over time towards this


target, delivering approximately two million new homes by 2016 and, assuming the target is maintained, an additional million new homes by 2020, making three million in total.

10.2.4 The Affordable Rural Housing Commission recommended that, England-wide, 11,000 units of affordable housing should be provided per year in settlements below 10,000 population\(^{118}\).

10.3 What are the key sustainability objectives we need to consider?

10.3.1 Key objectives from the IRF include:

- To ensure that everyone has the opportunity to live in a decent, sustainably constructed and affordable home suitable to their need

10.4 What’s the situation now?

10.4.1 In terms of housing provision, actual housing delivery rates have been increasing in recent years with an average of 28,800 homes per annum being delivered between 2001 and 2006\(^{119}\) (RPG9 requires 28,050 dpa).

10.4.2 In terms of affordability, according to the 2007 AMR, there are no areas in the region where lower quartile earnings alone are sufficient to allow the purchase of a house in the lower quartile price bracket based on standard mortgage income multiples. Worryingly, completions of affordable homes are running at some 30% below the rates set out in the Draft South East Plan.

10.5 What will be the situation without the plan?

10.5.1 Regional Planning Guidance for the South East (RPG9) covers the period up to 2016 and includes an interim requirement for the delivery of 28,050 dpa\(^{120}\)\(^{121}\) between 2001-
Actual housing delivery rates have been increasing in recent years with an average of 28,800 homes per annum being delivered between 2001 and 2006. It is unlikely that these will be sustained in the next few years in light of the economic climate.

On the basis of RPG9 and current trends, it seems very likely that housing delivery rates would continue to be significantly below those required to accommodate the forecast increase in the number of households. New household projections published just before the close of the EiP indicated that 34,500 additional households per annum will emerge in the South East between 2006-26. The latest household projections (March 2009) indicate that 39,000 new households will emerge per year in the South East from 2006 to 2031.

The region has an estimated backlog of 29,000 households (in bed and breakfast and concealed / sharing households).

In terms of affordability, according to the 2007 AMR, the ratio of average income to average house prices shows the difficulties with housing affordability and despite rapid increases in housing delivery in recent years, affordability continues to worsen. Completions of affordable homes are running at some 30% below the rates set out in the Draft South East Plan. According to the report, a continuation of the current tenure split will not address identified needs: the region should be providing more social rented homes and fewer in intermediate tenures.

What would have been the situation under the Draft South East Plan?

The Draft South East Plan proposed a total of 28,900 new dwellings per annum over the plan period (2006 – 26). The Draft South East Plan’s housing policies were set within an overall objective of planning positively for a ‘reasonable’ level of housing development with stronger encouragement for a ‘substantial’ increase in affordable housing. In relation to housing provision, the SA of the Draft South East Plan concluded that, “In general terms, current housing development rates are not sufficient to meet housing needs and pressure on the housing market within many parts of the region is increasing. The Preferred Spatial Strategy [based on 28,900 dpa] would provide a level of growth that would be less effective at dealing with issues of backlog than higher growth rates”. Furthermore, “The preferred option is likely to be less effective than higher rates of housing provision in reducing pressure on the housing market, and ensuring affordable housing or accommodation for the homeless”.

Policy H1 in RPG9 required that this interim level be reviewed before 2006. Subsequently, the result of two partial reviews on the Growth Areas of Milton Keynes and Aylesbury Vale and Ashford took the implied regional housing level up to 29,550 dpa.

10.6.2 The National Housing and Planning Advice Unit (NHPAU) in its response to the Housing Green Paper estimated that under existing RSS plans, average affordability would, by 2026, be worse in the South West, South East and East of England than it is in London. Furthermore, the report emphasised that the RSS plans were, collectively, substantially short of the Government's target to deliver 240,000 new homes a year by 2016 (as set out in the Housing Green Paper). The report concluded that the most efficient way to stabilise affordability was through significantly increasing the proportion of new homes delivered by the southern regions but acknowledged that this would be highly contentious.

10.7 What would have been the situation under the Draft Proposed Changes?

10.7.1 The Independent Panel conducting the EiP argued that, in proposing a total of 28,900 dpa, too little weight had been given to demographic and economic factors and consequently the Panel Report\textsuperscript{124} recommended that provision should be made for 32,000\textsuperscript{125} dpa. However, the Panel argued that this figure was right at the bottom end of what their analysis suggested was necessary and, even at that level, would still be below the Government's latest household projections. The Panel argued that to set a figure of 28,900 dpa, while at the same time seeking to increase the proportion of affordable housing in new development, implied a reduction in market housing compared to previous plan levels. Moreover, in reality, this decrease in market housing would be greater when compared against current delivery rates of just over 33,000. The Panel construed that a constraint on market housing of this magnitude would suggest, on common sense grounds if nothing else, that affordability would worsen under the Draft South East Plan. Having said this, overall, the Panel concluded that "We cannot say whether there would be any discernible benefit at the regional level on affordability from our recommended increase in housing levels".

10.7.2 The Secretary of State is of the view that a strategic housing provision that is at the bottom end of what the analysis of strategic factors would suggest does not meet the requirements of PPS3, the vision and the priorities set out in the Housing Green Paper or the identified long term needs of the South East\textsuperscript{126}. Overall, the Secretary of State is of the view that the consideration of best available evidence supports an overall regional provision significantly above the level proposed in the Draft South East Plan and that recommended by the Panel as the housing requirement for the 2006 to 2026 period\textsuperscript{127}. Of the housing options considered the Secretary of State favours 33,125 dpa based on the Secretary of State’s proposed district-by-district housing apportionment. This

\textsuperscript{124} Available at: \url{http://www.go-se.gov.uk/gose/planning/regionalPlanning/southEastPlan/?a=42496}.

\textsuperscript{125} According to GOSE, 260 dpa are actually within the Milton Keynes-South Midlands area and within the East of England region

\textsuperscript{126} See the Proposed Changes Schedules

\textsuperscript{127} Ibid
increase on the Panel Report recommendation should assist in accommodating emerging new households, combating the housing backlog, providing further affordable housing and supporting economic growth. However, the figure is significantly below various estimates of housing need – Chapter 3.

10.7.3 In terms of the impact of higher housing provision on affordability, the 2007 AMR observed that “Evidence from the Government’s own advisors on affordability – the National Housing and Planning Advisory Unit (NHPAU) – shows that even large increases in housing supply would have only a very small impact on affordability for prospective owner-occupiers. Simply making more land available to increase the supply of housing will not address the problem. What is required is more affordable housing.”

10.7.4 Recent research on ‘Housing and Affordability in the South East’ by Professor Christine Whitehead and at the London School of Economics\(^{128}\) concluded that “the direct impact on house prices and affordability of quite large increases in output are relatively limited even over a twenty year period”. However, the figures also suggest that “without such increases, the negative effects on affordability will continue to grow quite rapidly”.

10.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

10.8.1 The SA for the Proposed Changes did not propose any mitigation / enhancement effects in relation to housing and affordable housing per se. However, we proposed mitigation measures elsewhere in this report to address the environmental and community impacts arising from increased provision.

10.9 What will be the situation under the Final Revisions / South East Plan?

**Significant changes**

10.9.1 In relation to the overall level of housing provision, it is very clear that the level of housing provision in the region needs to be increased significantly in order to accommodate emerging new households, combat the housing backlog, provide further affordable housing and support economic growth. For this reason, at the Proposed Changes stage we supported – subject to certain mitigation measures – the implementation of Option 2 – 33,125 dpa. From a social point of view, the subsequent reduction in overall provision to 32,700 dpa is likely to be negative in its impacts. However, the reduction is relatively small.

Residual impacts

10.9.2 The real issue in relation to housing provision is the widening gulf between the level of housing provision enshrined in regional policy and the actual level of housing need. The latest household projections (March 2009) indicate that 39,000 new households will emerge per year in the South East from 2006 to 2031. This indicates a shortfall of over 6,000 dpa not even taking into account the existing housing backlog. The existing economic climate and the downturn in the construction sector will only worsen the situation and it remains to be seen whether provision can rapidly increase over-and-above past delivery rates once the upturn begins. The social impacts of the cumulative shortfall in housing provision are difficult to clearly envisage but will clearly be significant. The Final Revisions state that “The next review of this RSS also needs to review the current levels of housing and a higher rate of provision than 32,700 dwellings per annum is likely to be necessary to meet the strategic needs in the region”.

10.10 Conclusions on housing and affordable housing

10.10.1 Housing and affordable housing are central issues for the RSS. While the increase in housing provision under the South East Plan is obviously welcome, in light of the evidence, it will be insufficient to accommodate the forecast number of emerging households and combat the housing backlog. In terms of affordability, the increase is likely to have a negligible impact on affordability based on the evidence. However, the increase in provision will increase the scope for providing affordable housing. Having said this, the South East has a poor record in delivering affordable housing; completions of affordable homes are running at some 30% below the rates set out in the Draft South East Plan.
While the increase in housing provision under the South East Plan is obviously welcome it will be insufficient to accommodate the forecast number of emerging households and combat the housing backlog. In terms of affordability, the increase is likely to have a negligible impact on affordability. However, the increase in provision will increase the scope for providing affordable housing (although the South East has a poor record in delivering affordable housing).

In relation to affordable housing, much will depend on the success of the South East Regional Housing Strategy and the extent to which local authorities deliver affordable homes as part of new developments.

Assuming this level of provision continues, completions would remain insufficient to accommodate the forecast number of households and combat the housing backlog with significant implications for community cohesion. Affordability would continue to deteriorate while the provision of affordable housing would depend on delivery at the local level.

In relation to affordable housing, much will depend on the success of the South East Regional Housing Strategy and the extent to which local authorities deliver affordable homes as part of new developments.

The South East Plan provides for additional housing across the region but includes a particular focus on the London Fringe, Western Corridor Blackwater Valley and Central Oxfordshire – economically buoyant areas with high house prices.

In relation to affordable housing this will partly depend on whether or not it remains affordable in perpetuity

Decent homes and affordable housing have clear links with community wellbeing as well as supporting economic growth.
11 Land use, landscape and the historic environment

11.1 Introduction

11.1.1 The South East is one of the most built-up regions in England, with 15-20% of its land being built up areas and gardens, and it faces significant further development pressures. Efficient land use is thus an important consideration in regional and local planning.

11.1.2 The region is blessed with a diverse and, in many areas, high quality landscape, including a particularly high proportion of nationally designated landscapes (covering 35 per cent of the region - higher than any other region). Although the South East is one of the most heavily populated regions, two thirds of the region’s area is used for farmland and farmed woodland and agriculture, horticulture and forestry are considered to have essential roles in the management of the region’s landscape.

11.1.3 The South East is home to a rich and diverse historic environment that includes built environment, archaeological sites, urban and rural landscapes and marine heritage sites around the coast. The region has some 76,000 listed buildings, 2,600 scheduled monuments, 350 registered historic parks and gardens, 6 registered battlefields and 2 World Heritage sites.

11.2 What’s the policy context?

Land use

11.2.1 Government has set a national target in Planning Policy Statement 3 on housing that 60% of new dwellings should be provided on previously developed land, and states the RSSs should set out housing density policies for the region. It also suggests that the density of new residential dwellings should be at least 30 dwellings per hectare, to help ensure efficient use of land.

Landscape

11.2.2 In 2006, the UK ratified the European Landscape Convention - the first international convention to focus specifically on landscape. The Convention aims to encourage public authorities to adopt policies and measures at local, regional, national and international level for protecting, managing and planning landscapes throughout Europe.

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130 For further information see http://www.coe.int/t/dp4/cultureheritage/Conventions/Landscape/
11.2.3 Government guidance emphasises that planning authorities should ensure that the quality and character of the wider countryside is protected and, where possible, enhanced. In addition to supporting the protection of designated landscape areas – including National Parks and Areas of Outstanding Natural Beauty (AONBs) – Government guidance recognises that there are areas of landscape outside nationally designated areas that are particularly highly valued locally. Rather than protect these through formal designations, the Government argues that they should, instead, be protected through criteria-based policies in local development plans which are, in turn, informed by tools such as landscape character assessment (although local designations are not entirely ruled out where these can be strongly justified). Finally in terms of policy context, it should be recognised that agriculture and forestry have the potential to promote major landscape change; however, these are outside the scope of the planning system.

Historic environment

11.2.4 Government guidance strongly emphasises the need to protect and enhance the historic environment. The Government’s vision includes ensuring that decisions taken at all levels – national, regional and local – have regard to any potential impact on the physical remains of the past. English Heritage emphasise the important role that heritage can play in catalysing regeneration. The Power of Place, published by English Heritage in 2000, starts from the premise that heritage is for everybody, and promotes the removal of barriers to participation, particularly from under-represented groups; enabling more people to get involved in decisions affecting the historic environment; and recognising the critical role of the voluntary sector.

11.3 What are the key sustainability objectives we need to consider?

11.3.1 The key IRF objectives related to this topic are:

- To improve efficiency in land use through the appropriate re-use of previously developed land and existing buildings, including re-use of materials from buildings, and encourage urban renaissance
- To protect, and enhance the region’s countryside and historic environment

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132 Ibid
11.4 What’s the situation now?

11.4.1 More land changes from non-residential to residential use in the South East than in any other region: the region accounts for about one-fifth of all of the land use change to residential use in England. This is partly due to the large amount of house-building that has taken place in the region and partly due to the relatively low development densities in the South East. Although the average density of new dwellings in the region has increased over time, it is still below the national average: only the East of England and East Midlands have lower housing densities in new development.

11.4.2 Almost three-quarters of new dwellings built in the region have been on previously developed land, roughly in line with the national average. Most of the dwellings built on ‘greenfield’ land have been on agricultural land. Table 25 shows land use statistics for the South East.

### Table 25: Land use statistics

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>ha. land changing to residential use (% of English total)</td>
<td>930 (18)</td>
<td>700 (19)</td>
<td>820 (19)</td>
<td>880 (20)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>density of new dwellings, South East (England average)</td>
<td>32 (34)</td>
<td>37 (39)</td>
<td>35 (40)</td>
<td>37 (41)</td>
<td>40 (44)</td>
<td>30 minimum (PPS3)</td>
</tr>
<tr>
<td>% of new dwellings built on previously developed land, South East (England average)</td>
<td>66 (67)</td>
<td>74 (72)</td>
<td>75 (74)</td>
<td>75 (73)</td>
<td>72 (73)</td>
<td>60% (PPS3)</td>
</tr>
<tr>
<td>% of new dwellings built in the Green Belt</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

11.4.3 The region contains 40% of the ancient woodland remaining in England and 25% of farm holdings over five hectares are subject to an agri-environment scheme. The South East is, in whole or in part, home to nine AONBs, one National Park, and one proposed National Park – see Figure 12. A considerable part of the region is made up of the London and Oxford Green Belts - see Figure 13; although these are not landscape or...
historic environment designations, they play a part in defining the broader landscape character of the region.

**Figure 12: Areas of Outstanding Natural Beauty and National Parks in the South East**
The region has a rich historic environment with more registered historic parks and gardens than any other region, and more conservation areas. Regionally important historic environments include:

- The historic cities of Canterbury, Chichester, Oxford, Rochester, Southampton and Winchester
- Maritime heritage relating to the Thames Estuary, Solent, the Channel Coast including naval dockyards of Chatham, Portsmouth and Sheerness, Regency Brighton and the seaside built heritage of the Kent and Sussex coasts
- A historic countryside of varying character reflecting both Midlands Inclosure on top of open field systems and more organically developed landscapes of Kent and Sussex
- Archaeological heritage including the Palaeolithic sites of Boxgrove and the Thames gravels, Roman centres of Canterbury, Chichester and Silchester and major Saxon and medieval ecclesiastical and urban centres
- A network of historic market towns and villages with their medieval churches and other historic buildings
- Stately homes and historic parks and gardens.
- The defence heritage of the region which has always been in the front line of the defence of England.

11.4.5 The 2007 AMR shows that housing developments in nature conservation areas, AONBs and National Parks have increased in five counties (Berkshire, Buckinghamshire, Isle of Wight, Surrey and West Sussex).

11.4.6 The protection and enhancement of the region’s landscape features and historic environment to date has had mixed results: according to the SA of the Draft South East Plan “Increasing land management of the region’s countryside under the ESA scheme will serve to assist in achieving such protection. The state of the region’s historic assets is, however, an issue of concern with the region having suffered significant losses to its archaeological sites and an escalating number of Buildings at Risk”.

11.5 What will be the situation without the plan?

11.5.1 The 2007 AMR indicates that levels of housing completions on previously developed land are likely to remain high in the short term but would begin to fall off in the medium to longer term as the supply of land in urban areas declines. Without the RSS, the region’s important landscapes and historic environments would continue to be covered by national and local designations which offer a level of protection. The South Downs National Park would still be designated. However, it seems reasonable to assume that the increasing trend for housing developments in or near nature conservation areas, AONBs and National Parks identified in the 2007 AMR would continue.

11.6 What would have been the situation under the Draft South East Plan?

11.6.1 The Draft South East Plan included several policies that encouraged efficient land use, and protection of the landscape and historic environment, including:

- Policy H5 on housing design and density, which required local authorities to encourage higher housing densities, “with an overall target of 40 dwellings per hectare over the Plan period”
- Policy H7 on making better use of existing stock
- An entire section (D7) on countryside and landscape management
- Policy BE4 on managing the urban rural fringe
- Policy BE7 on management of the historic environment
11.6.2 Nevertheless, the SA of the Draft South East Plan indicated that the proposed levels of housing (28,900 dpa) would place considerable pressures on important landscape and the countryside within the region: “They are also likely to put more localised pressures on floodplain, landscape / countryside, biodiversity, water resources and air quality, although predicting local impacts from a regional plan such as this is problematic, and it is likely that development could be accommodated in some locations without causing significant negative impacts”.

11.7 What would have been the situation under the Draft Proposed Changes?

11.7.1 In response to the findings of the Examination in Public, the Draft Proposed Changes increased proposed housing numbers in the region (Policy H1), and identified 22 Regional Hubs. Policy SP2 proposed urban extensions at seven Strategic Development Areas: South East Milton Keynes, South West Milton Keynes, East of the M1 Motorway at Milton Keynes, Fareham, North of Hedge End (Hampshire), South West Reading (withdrawn before the Proposed Changes were published), and South of Oxford.

11.7.2 Policy SP5 promoted selective reviews of Green Belt boundaries north east of Guildford, possibly to the south of Woking, south of Oxford, at the former DERA site at Chertsey, and possibly elsewhere such as around Redhill-Reigate.

11.7.3 The Draft Proposed Changes included as protective measures:

- A statement in Policy C3 of the Draft Proposed Changes, on Landscape and Countryside Management, that “Positive land management is particularly needed around the edge of London and in other areas subject to most growth and change”.

- Additional measures in Policy C1 relating to the New Forest National Park to emphasise small scale development that does not compromise the purpose of the National Park landscape designation.

- A new Policy C7 which protects scenic views of and from the River Thames.

11.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

11.8.1 The SA for the Draft Proposed Changes found that the changes could have potentially serious repercussions for the region’s landscapes, with the landscapes of the urban fringe around the 22 Regional Hubs most likely to be at risk. In terms of the historic environment, whereas historic rural landscapes would, generally speaking, be afforded protection through a policy of urban concentration (and would be influenced more by agriculture and forestry than planning as a rule), the historic cores of the region’s
settlements would be likely to be at greater risk as a result of greater urban concentration (e.g. as a result of visitor pressure or urban intensification).

11.8.2 The SA recommended that Policy CC8 should be revised to explicitly require the preparation of Green Infrastructure Strategies for each of the 22 Regional Hubs, to help mitigate impacts on the biodiversity and the landscape while at the same time providing sufficient open space to meet the requirements of increased urban populations.

11.8.3 The Secretary of State’s response to this recommendation is set out below.

<table>
<thead>
<tr>
<th>SA recommendation / comment</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Green infrastructure strategies</strong></td>
<td>We agree that the pursuit of Green Infrastructure will be particularly important in the 22 hubs as they are a main focus for development proposed in the draft RSS. However, we would stop short of explicitly requiring the production of Green Infrastructure Strategies as:</td>
<td>Addition of a reference to the 22 hubs and Strategic Development Areas in the final sentence of the policy: “The provisions of this policy apply region-wide. However, the successful designation and management of Green Infrastructure will be particularly important in areas designated as regional hubs, in areas close to sites of international ecological importance and in areas identified for significant growth (Strategic Development Areas).”</td>
</tr>
</tbody>
</table>
| **Policy CC8 should be revised to explicitly require the preparation of Green Infrastructure Strategies for each of the 22 Regional Hubs.** Given the anticipated shortage of urban land for development in the medium- to long-term, the pressure for development in the urban fringe as well as for greenfield extensions will only increase. Detailed Green Infrastructure Strategies would provide a key means to mitigate impacts on the biodiversity and the landscape while at the same time providing sufficient open space to meet the requirements of increased urban populations. | • The policy already applies region-wide and requires joint working for Green Infrastructure.  
• There is currently no guidance on the creation of Green Infrastructure strategies, or dedicated resources and expertise to carry them out (although Natural England and partners are currently preparing a regional Green Infrastructure Framework).  
We are concerned that explicitly requiring production of additional strategies risks placing additional workload or resource burdens on local authorities, particularly in the absence of guidance,  
• We are not convinced that the production of a separate Green Infrastructure Strategy would be the best way of implementing this policy (depending in its | | |
| | | |

The final sentence of the supporting text now states that: “One mechanism to help work towards this goal would be the Framework for Green Infrastructure in the South East, which is currently being prepared by Natural England and its partners.”
Effective implementation of this policy would ideally involve consideration and spatial planning of networks through the LDF process (in particular Core Strategies, site allocation DPDs and Area Action Plans) as this will allow for a joined up approach where networks are planning along side new patterns of development. Flexibility within the LDF process allows for implementation and management issues to be picked in Supplementary Planning Documents.

11.9 What will be the situation under the Final Revisions / South East Plan?

**Significant changes**

11.9.1 The Final Revisions remove the Strategic Policy Area at Milton Keynes east of the M1 Motorway, but add Shoreham (West Sussex) and Dover as growth points. Policy BE5 has been changed to help protect the landscape setting and character of villages. They make no significant changes to the policies on the historic heritage and the landscape.

**Residual impacts**

11.9.2 The RSS contains a range of policies that encourage efficient land use and protection of the landscape and historic environment, notably policy BE6 on the historic environment, all of Chapter 11 on the countryside and landscape management, and Policies H5 and H6 on housing density and use of the existing housing stock.

11.9.3 Nevertheless, the construction of 654,000 new homes, new employment sites, and associated infrastructure will inevitably have a negative impact on the region’s landscape and historic environment, and will further urbanise the region. Areas particularly affected will be the Growth Points, Growth Areas, Centres for Significant Change, Regional Centres, Strategic Development Areas, Regional Hubs, and any areas home to eco-towns in the region. The RSS also supports development in some parts of the Green Belt.
11.10 Conclusions on land use, landscape and the historic environment

11.10.1 Although an RSS can help to set a framework that preserves and enhances the landscape and the historic environment, much of this protection is already afforded through national government policy (e.g. PPS7 on Sustainable Development in Rural Areas) and guidance (e.g. PPG15 Planning and the Historic Environment). RSSs can also help to avoid impacts on the landscape and historic environment, for instance by not proposing large-scale housing or employment development in areas protected by landscape or historic designations. The Final South East Plan generally aims to encourage efficient land use and protect the landscape and historic environment, although the scale of housing and employment growth proposed is likely to still lead to negative impacts.
<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Final South East Plan</th>
<th>Final South East Plan plus other plans, programmes etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short/medium term (to about 2020)</strong></td>
<td>The proposed levels of housing, and particularly the SDAs, would place considerable pressures on the region’s landscape and historic environment, although the RSS policies on landscape and green infrastructure policy should help to preserve or enhance the existing landscape. A policy of urban concentration will generally protect historic rural landscapes but place the historic cores of the region’s settlements at greater risk. The RSS emphasises small scale development that does not compromise the purpose of the National Park landscape designation, and affords further protection to landscape and historic maritime features. It seems reasonable to assume that the increasing trend for housing developments in or near nature conservation areas, AONBs and National Park identified in the 2007 AMR would continue.</td>
<td>Other development in the region (e.g. eco-towns, airport expansion) may also impact on land use, landscape and the historic environment.</td>
</tr>
<tr>
<td><strong>Long term (beyond 2020)</strong></td>
<td>Levels of housing completions on previously developed land are likely to remain high in the short-term but would begin to fall off in the medium- to longer-term as the supply of land in urban areas declines. This potentially places the region’s landscapes of the urban fringe and, in particular, around the 22 Regional Hubs, at risk although the green infrastructure policy should assist in mitigating impacts.</td>
<td></td>
</tr>
<tr>
<td>Areas likely to be significantly affected</td>
<td>Predicting local impacts from a regional plan such as this is problematic, and it is likely that development could be accommodated in some locations without causing significant negative impacts</td>
<td></td>
</tr>
<tr>
<td>Permanent vs. temporary</td>
<td>Except for construction impacts, the development impacts of the RSS on the landscape and the historic environment are likely to be permanent. The protection and enhancement impacts of the RSS will last until / unless development overrides them.</td>
<td></td>
</tr>
<tr>
<td>Secondary</td>
<td>Community wellbeing and the economy are both supported by an attractive landscape and preservation of the historic environment (which can also act as a catalyst for regeneration).</td>
<td></td>
</tr>
</tbody>
</table>
12 Transport and accessibility

12.1 Introduction

12.1.1 Regions which are well connected are better placed to operate within the regional, national and international markets, as workers are able to access job markets and businesses find it easier to transport their goods across national boundaries. Good connectivity can also stimulate labour market flexibility as improved transport links between highly productive economic areas and areas of lower productivity can encourage workers to move to more productive jobs in a different area.

12.1.2 RSSs need to promote sustainable travel, which aims to reduce transport-related carbon emissions that contribute to climate change. Measures to ensure viable alternatives to use of private cars are important to reduce overall emissions. Alternatives can include fast, efficient, affordable public transport as well as walking and cycling for local trips.

12.2 What’s the policy context?

12.2.1 Planning Policy Guidance 13: Transport (PPG13) states that quality of life depends upon transport and easy access to jobs, shopping, leisure facilities and services. PPG13’s objectives include the integration of planning and transport at the national, regional, strategic and local level in order to promote more sustainable transport choices for both people and moving freight; promote accessibility to jobs and services by public transport, walking and cycling; and reduce the need to travel, especially by car. The guidance also recognises the role of walking and cycling in reducing air pollution.

12.2.2 Transport 2010: The Ten-Year Plan (July 2000) and Progress Report (2003) set out a strategy to tackle congestion and pollution by improving all types of transport (rail, road, public and private). Targets include: a 50% increase in rail use (measured by passenger kilometres); an 80% increase in rail freight; and a 10% increase in bus passenger journeys, and the approach is based on:

- integrated transport;
- public and private partnership between the government and private sector; and
- new projects to modernise the transport network.

12.2.3 The Future of Transport: A Network for 2030 White Paper (July 2004) updated these policies and examined the factors that will shape travel and transport over the next thirty years. It sets out how the Government will respond to the increasing demand for travel, maximising the benefits of transport while minimising the negative impact on people and the environment.
12.2.4 Other relevant documents include the Department for Transport’s Delivering a Sustainable Railway\(^{137}\) and the Eddington Transport study. The latter highlights the critical importance of transport infrastructure to the economy:

“the performance of the UK’s transport networks will be a crucial enabler of sustained productivity and competitiveness: a 5 per cent reduction in travel time for all business travel on the roads could generate around £2.5 billion of cost savings – some 0.2 per cent of GDP. Good transport systems support the productivity of urban areas, supporting deep and productive labour markets, and allowing businesses to reap the benefits of agglomeration. Transport corridors are the arteries of domestic and international trade, boosting the competitiveness of the UK economy”\(^{138}\).

12.3 What are the key sustainability objectives we need to consider?

12.3.1 Key objectives from the IRF include:

- To improve accessibility to all services and facilities including the countryside and the historic environment
- To improve the efficiency of transport networks by enhancing the proportion of travel by sustainable modes and by promoting policies which reduce the need to travel

12.4 What’s the situation now?

12.4.1 The South East represents a major gateway to the UK and continental Europe, and its transport infrastructure is of both national and international importance. The region includes the Channel Tunnel, Gatwick Airport, and the key ports of Dover, Southampton and Portsmouth. SEEDA (2008) describes the region as “the country’s natural access point to mainland Europe and the rest of the world”. Figure 14 shows the extensive infrastructure links within the region, between urban settlements, and particularly with London.

12.4.2 The rail system is predominantly focused on London, includes some of the most congested routes in the country, and does not cater as well for cross-regional travel. This is likely to exacerbate existing disparities in prosperity between areas closer to London and more peripheral areas of the region.


12.4.3 People in the South East travel further than those in any other region. 84% of all the distance travelled in the South East is by car, and 74% of people in the region travel to work by car. Residents of the South East are the least likely to use the bus. The South East is the largest petrol and diesel consumer of the regions.\textsuperscript{140}

12.4.4 Between 1995 and 2005, there was an 18.5\% increase in traffic on major roads in the region. Average daily motor vehicle flows on the region’s roads are second only to those in London, and not very far off London levels. The road network in the region is already under stress in many locations, for example around the M25. Congestion is already acting as a brake on new development, for instance in Milton Keynes, at Ashford, and at Camberley\textsuperscript{141}.

\begin{figure}
\centering
\includegraphics[width=\linewidth]{Figure_14_South_East_Urban_settlements_and_Communications.png}
\caption{South East: Urban Settlements and Communications\textsuperscript{139}}
\end{figure}

\textsuperscript{139} Source: ODPM
12.4.5 Use of the railways in the region has increased by 45% in the last 10 years. Between 2001 and 2005, the number of passengers travelling through Heathrow Airport rose by 11%, through Gatwick Airport by 10%, and through Southampton Airport by 123%. Table 26 shows key transport and access indicators from the AMR.

Table 26: Transport and accessibility indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Pre-2003</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>% rural households within 4km of ATM</td>
<td>91.9</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Improve ratio of traffic growth to GDP by 0.8:1 to 0.6:1 by 2010; reduce private vehicle-km travelled (GDP 2005 1.8, 2006 2.9, 2007 3.1; traffic increased 6% to 2006; 2.4% to 2007)</td>
</tr>
<tr>
<td>% rural households within 4km of a doctor’s surgery</td>
<td>89.2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>% rural households within 2km of a pub</td>
<td>97.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Kilometres travelled per person per year</td>
<td>12,419</td>
<td>13,170</td>
<td>13,483</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>% travel: car driver</td>
<td>86.92 by private vehicle</td>
<td>54</td>
<td>53</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>% travel: car passenger</td>
<td>28.5</td>
<td>29</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>% travel: other</td>
<td>14.8</td>
<td>18</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Average daily motor vehicle flows on all roads per day</td>
<td>4900</td>
<td>5000</td>
<td>5000</td>
<td>5000</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Investment in public transport, walking and cycling, £million</td>
<td>-</td>
<td>45,170</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>


143 ibid
12.5 What will be the situation without the plan?

12.5.1 The combination of continuing population growth and existing approaches to planning of the transport infrastructure would probably worsen transport problems in the region. This, in turn, would probably worsen access to services and facilities due to congestion and poor spatial planning.

12.5.2 On the other hand, the National Travel Survey\textsuperscript{144} suggests that smaller household sizes may lead to reduced need to travel should the smaller household be closer to public transport and services (e.g. living in town centres) or without children (e.g. households over 65) – see Section 4.5.

12.6 What would have been the situation under the Draft South East Plan?

12.6.1 Key policies in the draft South East Plan that were likely to increase the need to travel were:

- H1 Housing Provision, which required provision of 28,900 additional homes per year to 2026.
- RE1 Supporting Regionally Important Sectors and Clusters, which required local authorities to ensure that land and premises are available to meet the requirements of important sectors and clusters
- RE2 Employment and Land Provision, which required authorities to make provision for employment sites to meet ‘more general needs’

12.6.2 Key policies that aimed to minimise or counter these impacts included those policies aiming to dampen demand and increase transport choice and the availability of more sustainable modes (public transport, walking and cycling).

12.6.3 The Roger Tym Report suggested that the developments proposed in the South East Plan would lead to several trunk roads having a ratio-to-flow capacity (RFC) of 120% or more, which they define as “unable to cope with demand”. These include:

- Central Oxfordshire (A34)
- Western Corridor and London Fringe (M40, M4, M3, A3 and sections of the M25)
- South Hampshire (M3 and M27)
- Sussex Coast (A27)

• Kent Thames Gateway (M2/A2)

12.6.4 They noted that the model does not take into account junction capacities, which are likely to be a restraining factor before the link capacities listed above become a limiting factor. As such, the actual situation is likely to be worse. They also note that “many parts of the trunk road which are under the highest level of stress, fall within areas of environmental sensitivity. For example the A23 and A27 in East and West Sussex both pass through the proposed South Downs National Park”.

12.7 What would have been the situation under the Draft Proposed Changes?

12.7.1 Policy H1 on housing provision, which required provision of 33,125 homes per year (almost 15% more than the Draft South East Plan), was the key changed policy in the Draft Proposed Changes that could increase the need to travel. The Draft Proposed Changes also removed the infrastructure ‘conditionality clause’, which would also apply to transport infrastructure – see Chapter 4.

12.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

12.8.1 The SA of the Draft Proposed Changes referred to research by Roger Tym and partners, which suggests that “The degree and extent of traffic flows exceeding trunk road capacity increases with increased housing options”, although the map of trunk roads of 120% RFC or more does not change significantly under a scenario of 33,000 new homes per year (see Figure 15). They also noted that “In general the higher growth scenarios have the effect of spreading the stress further along the network and in many cases into other areas of environmental sensitivity”.

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12.8.2 The SA recommended, as a mitigation measure, including standards for public transport accessibility, as had been done in the Yorkshire and Humber revised RSS incorporating Secretary of State’s Proposed Changes\(^{146}\).

12.8.3 The Secretary of State’s response to our recommendation is set out below.

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12.9 What will be the situation under the Final Revisions / South East Plan?

**Significant changes**

12.9.1 The Final Revisions update the list of strategic transport infrastructure priorities to reflect government funding, but make only very minor changes to the actual list (e.g. Windsor Park and Ride changed to Windsor Parking and Transport Project). Policies RE6 and T9 are updated to take account of the Government decision to support a third runway at Heathrow.

12.9.2 More importantly, the revised Policy H1 reduces the number of homes to be built in the region from an average of 'at least' 33,125 per year to 32,700 per year. This could slightly reduce the anticipated increase in traffic levels by constraining people from moving into the region; or it could slightly increase traffic levels because people would be less able to live in an accessible location. The removal of 'at least' will give greater certainty regarding future transport infrastructure requirements, and thus a better basis for forward planning by transport infrastructure providers.

**Residual impacts**

12.9.3 The transport impacts of the Final South East Plan will still be much like those of the Proposed Changes: see Figure 15.
12.10 Conclusions on transport and accessibility

12.10.1 RSSs have only limited influence over transport and accessibility issues. National government makes key decisions on airports, ports and major roads; and on funding of transport infrastructure, subsidies for transport services, and pricing regimes that affect transport use (e.g. levels of taxation). Individuals make key decisions about where to live, where they want to go, and how they get there. Public transport providers decide what services to offer and how frequently. RSSs can help to support good transport and accessibility by helping to ensure that housing is located near jobs and services; set a regional framework for issues such as parking and public transport accessibility; and promote walking, cycling and the use of public transport. However it has virtually no direct control over transport and accessibility related issues.

12.10.2 The RSS for the South East generally encourages sustainable transport. However, the level of increased housing it promotes will inevitably lead to more traffic; its policy on infrastructure (CC7) does not necessarily ensure the provision of adequate transport infrastructure; and it does not have the remit to improve most other aspects of transport and accessibility.
## Type of impact

<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Final South East Plan</th>
<th>Final South East Plan plus other plans, programmes etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short/medium term (to about 2020)</strong></td>
<td>Policies for additional housing provision, supporting regionally important sectors and clusters, and employment and land provision are likely to increase the need to travel. The urban concentration model and a range of transport policies in the RSS aim to minimise the need to travel and increase transport choice. Several trunk roads are anticipated to be unable to cope with demand, worsened by limited junction capacities. Policy CC7 does not guarantee the provision of adequate transport infrastructure for new and existing development.</td>
<td>Continuing population growth would probably worsen transport problems in the region. Smaller households could reduce car-based travel. Funding for infrastructure (e.g. the Community Infrastructure Fund and the Growth Areas Fund) may assist in combating some of the negative impact.</td>
</tr>
<tr>
<td><strong>Long term (beyond 2020)</strong></td>
<td>Increasing road congestion, rail overcrowding etc. as more housing is built but provision of transport infrastructure does not keep up.</td>
<td></td>
</tr>
<tr>
<td><strong>Areas likely to be significantly affected</strong></td>
<td>Sussex Coast, Kent Thames Gateway, Central Oxfordshire</td>
<td></td>
</tr>
<tr>
<td><strong>Permanent vs. temporary</strong></td>
<td>Where development is located has a key influence on its accessibility; as such, most of the RSS’s impacts on accessibility are likely to be permanent. Many transport impacts – for instance whether new development is accompanied by a new railway station or by adequate roads – could be reversed by subsequently retrofitting this infrastructure. However this is difficult and expensive to do. As such, most of the RSS’s transport impacts are also likely to be effectively permanent.</td>
<td></td>
</tr>
<tr>
<td><strong>Secondary</strong></td>
<td>Transport and accessibility influence air quality, biodiversity, community wellbeing, the economy and the landscape.</td>
<td></td>
</tr>
</tbody>
</table>
13 Water quality

13.1 Introduction

13.1.1 Water quality is assessed by the percentage of river length that has good chemical and ecological status. Ecological status, in turn, is defined as a combination of physico-chemical elements (e.g. nutrients, pH, dissolved oxygen), biological elements (e.g. fish, algae), specific pollutants and hydromorphology (e.g. depth, width, flow).

13.1.2 Poor water quality is typically due to a combination of agricultural runoff, untreated drainage from built-up areas and roads, and discharge from wastewater treatment works. It can affect people’s health, and that of plants and animals.

13.2 What’s the policy context?

13.2.1 The EU Water Framework Directive requires all inland and coastal waters to achieve at least ‘good status’ by 2015 or, where this is not possible, by 2021 or 2027. The Environment Agency has prepared draft River Basin Management Plans that show how these requirements will be met by 2025. Proposed measures in the plans include, for local and regional government:

- Inclusion of water efficiency and groundwater protection policies in RSSs and LDDs
- Inclusion of planning policies that require waste water treatment infrastructure capacity
- Promotion of sustainable drainage schemes
- Strategic development planning, incorporation of green infrastructure, and controls on specific pollution
- Provision of national guidance for spatial planners on integrating development planning and water planning
- Ensuring that Local Development Documents take into account the objectives of the River Basin Management Plan
- Action to reduce the physical impacts of urban development in artificial or heavily modified waters

13.3 What are the key sustainability objectives we need to consider?

13.3.1 Key objectives from the IRF include:

- To maintain and improve the water quality of the region’s rivers, ground waters and coasts, and to achieve sustainable water resources management.

13.4 What’s the situation now?

13.4.1 The South East region is part of three river basin districts:

- Thames, which covers the northern part of the region, including Oxfordshire, Berkshire and much of Surrey and Kent;
- South East, which covers Hampshire, the Isle of Wight, East and West Sussex and eastern Kent; and
- South West, which covers a small area in the south-west of the region.

13.4.2 Water quality in the South East has improved in the last five years, and most rivers and beaches in the area comply with legal standards – see Table 27.

Table 27: Water quality indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>pre-2003</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>% rivers of good or fair chemical quality</td>
<td>98</td>
<td>54.8 good</td>
<td>93.4</td>
<td>94.1</td>
<td></td>
<td>By 2005, 91% to comply with Environment Agency river quality objectives</td>
</tr>
<tr>
<td>% rivers or good or fair biological quality</td>
<td></td>
<td>78.2 good</td>
<td>98.3</td>
<td>98.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% compliance with EC Bathing Waters Directive</td>
<td>97</td>
<td>94</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Incidents of major and significant water pollution in the SE</td>
<td>~250</td>
<td>99</td>
<td>81</td>
<td>81</td>
<td>-</td>
<td>By 2007, reduce by 12%</td>
</tr>
</tbody>
</table>
13.4.3 However, most of the region’s water bodies do not achieve the Water Framework Directive’s stricter ‘good status’ criteria, as can be seen by Figure 16.

![Figure 16: Meeting the Water Framework Directive requirements: current status](image)

13.5 What will be the situation without the plan?

13.5.1 Figure 17 shows the objectives of the Environment Agency’s river basin management plans. The plans do not anticipate that the Directive’s objectives will not be met in full until 2027; they suggest that the ecological status of more than 40% of river length in the region will still be moderate or poor in 2021. A key factor preventing the achievement of the Directive’s objectives is the difficulty of controlling non-point sources of pollution, particularly from agriculture.

13.5.2 The Environment Agency’s system of discharge consents generally effectively control pollution from point sources such as industrial installations and wastewater treatment works (WWTWs). However several WWTWs in the region are already operating near capacity and/or at Best Available Technology Not Entailing Excessive Cost (BATNEEC) levels. The Environment Agency (Thames and Southern Regions) identified 47 WWTWs where the growth proposed by the South East Plan could only be accommodated with stricter discharge consents; and seven additional WWTWs for which it recommended that limits should be placed on additional housing; see Table 28 and Figure 18\(^\text{148}\).

Figure 17: Meeting the Water Framework Directive requirements: objectives of the River Basin Management Plans

Thames

South West

South East
Table 28: Locations where a limit should be placed on additional housing

<table>
<thead>
<tr>
<th>District</th>
<th>WWTW</th>
<th>Capacity of WWTW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastleigh</td>
<td>Chickenhall</td>
<td>4000</td>
</tr>
<tr>
<td>Elmbridge</td>
<td>Hogsmill Valley</td>
<td>3500</td>
</tr>
<tr>
<td>Horsham</td>
<td>Horsham</td>
<td>3800</td>
</tr>
<tr>
<td>Test Valley</td>
<td>Fullerton</td>
<td>4500</td>
</tr>
<tr>
<td>Wealden</td>
<td>Hailsham North</td>
<td>2800</td>
</tr>
<tr>
<td></td>
<td>Hailsham South</td>
<td>1900</td>
</tr>
<tr>
<td>West Berkshire</td>
<td>Newbury</td>
<td>2700</td>
</tr>
</tbody>
</table>

Figure 18: Limits to wastewater treatment capacity

---

13.6 What would have been the situation under the Draft South East Plan?

13.6.1 Key policies in the Draft South East Plan that were likely to increase pressure on water quality were:

- H1 Housing Provision, which required provision of 28,900 additional homes per year to 2026.
- RE1 Supporting Regionally Important Sectors and Clusters, which required local authorities to ensure that land and premises are available to meet the requirements of important sectors and clusters.
- RE2 Employment and Land Provision, which required authorities to make provision for employment sites to meet ‘more general needs’.
- T10 Ports and Short Sea Shipping, which promoted ‘enhancement’ of the region’s main ports, and development of landside infrastructure to support them.

13.6.2 Key policies that aimed to minimise or counter these impacts were:

- NRM1 Sustainable Water Resources, Groundwater and River Water Quality Management, which stated that “Water supply, ground water and river water quality will be maintained and enhanced through avoiding adverse effects of development on the water quality”, and required local authorities to work with water and sewerage companies to “ensure that the rate and location of development does not lead to unacceptable deterioration of water quality and is in step with current and planned provision of adequate... sewerage and waste water treatment infrastructure capacity”.
- CC5 Infrastructure and Implementation, which required the scale and pace of development to be “dependent on there being sufficient capacity in existing infrastructure to meet the area’s current needs and the provision of new infrastructure to meet the needs of new development”. The Implementation Plan specified that infrastructure included waste water treatment.

13.7 What would have been the situation under the Draft Proposed Changes?

13.7.1 The key changed policy in the Draft Proposed Changes likely to increase water use was H1 Housing Provision, which required provision of 33,125 dwellings per year to 2026, almost 15% more than under the Draft South East Plan. Furthermore, the Draft Proposed Changes weakened the wording of CC7 on infrastructure (formerly CC5) to 1. no longer refer to providing for current needs and 2. remove the section iii. ‘conditionality clause’. The new policy wording was “The scale and pace of development will depend
on sufficient capacity being available in existing infrastructure to meet the needs of new
development. Where sufficient capacity cannot be demonstrated the scale and pace of
development will be dependent on the prospects of releasing capacity through
management of demand or through provision of new infrastructure... The phasing of
development will be closely related to the provision of infrastructure”.

13.7.2 Key additional or changed policies that aimed to minimise or counter these impacts was
NRM2 River Water Quality Management, which had been changed to state that “River
water quality will be maintained and enhanced through avoiding adverse effects of
development on the water quality”. It also required local authorities to work with water
and sewerage companies to “identify infrastructure needs, allocate areas and safeguard
these for infrastructure development, ensure that adequate wastewater and sewerage
capacity is provided to meet planned demand, and take full account of the cumulative
impacts of wastewater discharges on inland and marine receiving waters”.

13.8 How can we mitigate / enhance effects (our
recommendations) and what was the Secretary of State’s
response to our recommendations?

13.8.1 The SA of the Draft Proposed Changes noted, based on Environment Agency advice,
that WWTW capacity was not a clear constraint to development in any district
discharging to inland waters. Within a given district, it was felt that the housing numbers
could be accommodated providing that the homes were located where there is
additional WWTW capacity, or that additional infrastructure is added, or that the
WWTWs are upgraded. Clearly where WWTWs have capacity constraints, these would
be used up more quickly under the proposed higher housing figures than they would
have been before.

13.8.2 However, the SA noted that the RSS faced significant constraints with respect to
WWTWs that discharge to marine waters, notably the Solent. The Environment
Agency’s review of consents has identified that many of them already need to use Best
Available Technology Not Entailing Excessive Cost (BATNEEC) technology to meet
Habitats Directive constraints. To be able to take wastewater from any additional homes
(not just those in the RSS), these WWTWs would need to:

- use better than BATNEEC technology,
- reduce the flow to the WWTW, e.g. by increased water efficiency in
  homes/employment sites, fixing pipes into which water is leaking etc.,
- move the discharges elsewhere: to another WWTW, river etc., and/or
- move the development that would otherwise feed into the WWTW.
13.8.3 To deal with these constraints, the SA for the Proposed Changes recommended that Policy CC7 should be rewritten to reinstate the conditionality clause (as is discussed at Chapter 4), and that particular measures would be needed for the Solent.

13.8.4 The Secretary of State’s response to our recommendations is set out below.

<table>
<thead>
<tr>
<th>SA recommendation / comment</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Solent</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For the Solent, new development (including existing planned development) wastewater works will need to use better than BATNEEC technology, reduce the flow to the WWTW, move discharges elsewhere, or move development elsewhere.</td>
<td>Reference is added to Policy SH8: “Local Authorities will work with the Environment Agency and Water Companies to ensure that discharges from wastewater treatment into marine waters are in accordance with Habitats Directive constraints.” Additional supporting text (criterion vi) reads: “... ensuring that wastewater treatment works that discharge to the River Itchen and ultimately to the Solent European sites incorporate necessary infrastructure improvements to comply with the Environment Agency’s Review of Consents process and maintain sufficiently good water that adverse effects on these European sites do not occur. Where this is not possible by implementing BATNEEC (Best Available Technology Not Entailing Excessive Cost) better than BATNEEC (for nitrogen) or alternative infrastructure provision (such as avoiding discharge to the River Itchen) must be considered.”</td>
<td></td>
</tr>
<tr>
<td><strong>Infrastructure conditionality</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The timely provision and funding of water resources is likely to be a significant issue for the region. CC7 should be rewritten to reinstate the conditionality clause.</td>
<td>Policy NRM2 now includes the requirement for local authorities and others to “ensure that the rate and location of development does not lead to an unacceptable deterioration of water quality, and not permit</td>
<td></td>
</tr>
</tbody>
</table>
development that presents a risk of pollution or where satisfactory pollution preventions are not provided in areas of high groundwater vulnerability."

It also requires authorities to: “ensure that adequate wastewater and sewerage capacity is provided to meet planned demand”

13.8.5 In June 2008, after the publication of the Proposed Changes, Chichester District Council withdrew two of its draft Supplementary Planning Documents – for North East Chichester and Southern Gateway – due to concerns about whether the Apuldram WWTW would be able to treat wastewater from these sites well enough to protect the Langstone and Chichester Harbour SPA. This case underlined the importance of providing adequate wastewater treatment infrastructure for new development.

13.9 What will be the situation under the Final Revisions / South East Plan?

Significant changes

13.9.1 The Final Revisions strength Policy NRM 2 on water quality to mention asset management plans and require water cycle studies; ensure that environmental water quality standards and objectives as required by European Directives are met; ensure that the rate and location of development does not breach either relevant ‘no deterioration’ objectives or environmental quality standards; and ensure that plans and policies are consistent with River Basin Management Plans.

13.9.2 The revised Policy H1 reduces the number of homes to be built in the region from an average of ‘at least’ 33,125 per year to 32,700 per year. The decreased housing numbers could slightly reduce the anticipated increase in wastewater produced in the region even if the population levels in the region are not different from those that would result from the Proposed Changes (see Chapter 4). The removal of ‘at least’ will give greater certainty regarding future wastewater treatment infrastructure requirements, and thus a better basis for forward planning by infrastructure providers.

13.9.3 The Final Revisions also include a range of new references to the need for adequate wastewater treatment infrastructure in specific locations, which will further help to reduce the plan’s impacts on water quality. These changes relate closely to recommendations
put forward by the Environment Agency in its consultation response on the Proposed Changes. Table 29 shows the key changes.

### Table 29: Location-specific water quality related changes in Final South East Plan

<table>
<thead>
<tr>
<th>Location</th>
<th>Environ. Agency comment/recommendation</th>
<th>Changes made in Final South East Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashford</td>
<td>Strategic planning of sewerage infrastructure and waste water treatment plans is needed</td>
<td>EKA2 – Sustainability aspects to be considered when planning for growth at Ashford include “strategic planning of sewerage infrastructure and wastewater treatment plants to ensure no deterioration in natural water quality”</td>
</tr>
<tr>
<td>Wealden</td>
<td>The receiving environment has inadequate capacity to receive additional discharge from Hailsham WWTWs. An appropriate alternatives sewerage infrastructure has to be in place before the increased housing allocation can be delivered</td>
<td>Supporting text to SCT7: “Key issues to be addressed are 1. waste water treatment, particularly at Hailsham and Chichester to address Water Framework and Habitats Directives requirements”</td>
</tr>
<tr>
<td>Epsom &amp; Ewell</td>
<td>Hogsmill WWTWs cannot accommodate further housing. Deliver of housing would rely on a satisfactory resolution of this problem.</td>
<td>Policy in LF3 - “The Hogsmill River is currently failing to meet good ecological status as a result of phosphorous concentrations. This may have implications for housing delivery in the catchment area of the Hogsmill Sewage Treatment Works in Epsom &amp; Ewell and Elmbridge. The satisfactory resolution of this problem will require further work, which will need to be reflected in LDFs and future reviews of the RSS.”</td>
</tr>
<tr>
<td>Western Corridor and Blackwater Valley</td>
<td>Areas of this sub-region are considered to be high risk in terms of groundwater protection</td>
<td>Supporting text to WCBV1 - “Provision levels at Basingstoke for locations within the catchment of Blackwater sewage treatment works and any other locations where potential water quality, supply or treatment issues are identified will need to be informed by a water cycle study… The results of these studies will need to be reflected in LDFs and future reviews of the RSS.”</td>
</tr>
<tr>
<td>Basingstoke</td>
<td>Concerns remain in relation to capacity issues at the Blackwater WWTWs. Footnotes to the housing</td>
<td>WCBV3 – “Provision levels at Basingstoke, for locations within the catchment of Blackwater sewage”</td>
</tr>
<tr>
<td>Location</td>
<td>Environ. Agency comment/recommendation</td>
<td>Changes made in Final South East Plan</td>
</tr>
<tr>
<td>---------------------</td>
<td>--------------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>figures etc. will need to reflect these concerns</td>
<td>treatment works and any other locations where potential water quality, supply or treatment issues are identified will need to be informed by a water cycle study… If overwhelming, tested evidence exists that this Plan cannot be fully delivered for water related reasons, affected parts of allocations will be reconsidered via a review of the Plan.&quot;</td>
<td></td>
</tr>
<tr>
<td>Oxford</td>
<td>A Water Cycle Study may be needed for the Oxford SDA</td>
<td>Footnote to CO3 - “Housing provision figures and distributions within districts will be informed by… water cycle studies and all other material considerations as appropriate. The results of these studies will need to be reflected in LDFs and future reviews of the RSS.”</td>
</tr>
<tr>
<td>Milton Keynes</td>
<td>The RSS needs to better reflect the capacity issues at the Aylesbury WWTW and Cotton Valley WWTW. These relate to infrastructure capacity rather than to environmental capacity of receiving water bodies. Water services infrastructure should be planned and programmed in accordance with a strategic approach Increase capacity of the Aylesbury WWTW whilst ensuring that extant environmental water standards, and Water Framework Directive standards in the River Thames are met, and the ability to improve water quality is not compromised</td>
<td>Supporting text to MKAV4 - “Key themes that should be addressed include… g. upgrades at Cotton Mill and Aylesbury Waste Water Treatment Works to support planned development (including any requirements to meet water quality standards in the River Thames).”</td>
</tr>
<tr>
<td>Horsham</td>
<td>The receiving environment has inadequate capacity to receive additional discharges from the Horsham WWTW. There should be no additional discharge from this WWTW into the River Arun</td>
<td>Supporting text to GAT3 – “Local planning authorities will have regard to water cycle strategies and studies… Other schemes and issues include 1. Waste water treatment, particularly at Crawley and Horsham</td>
</tr>
</tbody>
</table>
### Location

<table>
<thead>
<tr>
<th>Location</th>
<th>Environ. Agency comment/recommendation</th>
<th>Changes made in Final South East Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crawley</td>
<td>Concerns about whether the Crawley WWTWs will be able to accommodate the proposed additional 500 homes at Crawley. Provision levels at Crawley will need to be informed by the findings of a Water Cycle Study</td>
<td>To address environmental legislation including the Habitats Directive and the Water Framework Directive</td>
</tr>
<tr>
<td>Whitehill / Bordon</td>
<td>Add a bullet point to AOSR3 requiring a water cycle study</td>
<td>Supporting text to AOSR3 – “Any waste water constraints that may impede identified levels of development in the parts of Test Valley that lie within the ‘Areas Outside Sub-Regions’ area should be identified, with partnership action working to remove constraints or identify their implications for housing delivery. There is limited remaining capacity at the Chickenhall WWTW that is unlikely to be increased due to concerns about water quality in the River Itchen (which is designated as a European site under the Habitats Directive). However, wise use of the remaining capacity within the discharge consent will negate the need to consider alternative discharge locations for new development.”</td>
</tr>
</tbody>
</table>

### Residual impacts

13.9.4 The changes made in the Final Revisions should ensure that water quality in much of the region is maintained and improved, although achievement of Water Framework Directive objectives will still be difficult. In particular, the increased certainty provided by the removal of ‘at least’ from Policy H1 will help to ensure that sewage treatment companies have a robust basis for infrastructure planning.

13.9.5 Some of the RSS’s requirements will be challenging, for instance avoiding further input to some WWTWs, and the timely provision and funding of wastewater treatment infrastructure. Any area of large-scale growth, for instance an eco-town or a Strategic Development Area, may require additional wastewater treatment infrastructure.
13.10 Conclusions on water quality

13.10.1 Much of the reason for poor water quality in the UK is due to agricultural practices, which are not regulated by the planning system. RSSs’ remit for setting housing allocations and employment land targets – which will lead to more wastewater, which needs treatment and affects the quality of the receiving water bodies - means that they have the potential to have negative impacts on water quality. However, RSSs have little remit for avoiding these impacts or improving water resources: they can support the use of building standards that exceed Building Regulations, but only under certain conditions; and they can help to ensure that new development goes where there is adequate wastewater treatment capacity. Most of the remit for providing wastewater infrastructure is with the water companies; and for setting fiscal and regulatory regimes to reduce the generation of wastewater is with national government.

<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Final South East Plan</th>
<th>Final South East Plan plus other plans, programmes etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short/medium term (to about 2020)</td>
<td>Some deterioration in water quality expected, due to the location of proposed housing vis-à-vis the existing and potential capacity of wastewater treatment plants</td>
<td>The Water Framework Directive should help to improve water quality. It is unclear what changes will be made to the agricultural sector, and how these will affect water quality.</td>
</tr>
<tr>
<td>Long term (beyond 2020)</td>
<td>Further deterioration expected as a result of further increases in housing construction.</td>
<td></td>
</tr>
<tr>
<td>Areas likely to be significantly affected</td>
<td>The Solent is likely to be particularly affected: see the Habitats Regulations Assessment / Appropriate Assessment (Chapter 15)</td>
<td></td>
</tr>
<tr>
<td>Permanent vs. temporary</td>
<td>Water quality can be rapidly improved through improved wastewater treatment. However the secondary impacts of poor water quality, for instance on habitats, may be permanent.</td>
<td></td>
</tr>
<tr>
<td>Secondary</td>
<td>Water quality affects human health and biodiversity</td>
<td></td>
</tr>
</tbody>
</table>
14 Water resources

14.1 Introduction

14.1.1 The pressures on our water resources are growing. More houses are being built, our population is increasing and we are all using more water. Climate change will only add to these pressures. UK-wide, roughly 48% of the water abstracted in England and Wales is for household use, 22% for non-domestic use, and 22% is lost due to leakage\textsuperscript{150}.

14.2 What’s the policy context?

14.2.1 CLG/Defra’s report ‘Water efficiency in new buildings’\textsuperscript{151} outlines policies and measures that aim to reduce domestic consumption in new properties to 125 litres per head per day (l/hd/d) through the introduction of new building regulations. Government has also consulted on amending the Building Regulations to include minimum water efficiency standards for new homes\textsuperscript{152}, and will review the Water Supply (Water Fittings) Regulations 1999 later in 2009. However there is uncertainty about when these will be agreed, and associated implementation put in place. Defra’s report ‘Future Water’\textsuperscript{153} suggests that water consumption in existing properties could be reduced to an average of 130 l/hd/d through demand management measures, with the hope of further reduction to 120 l/hd/d.

14.2.2 The water companies are developing Water Resource Management Plans which set out how the companies propose to ensure that they will meet anticipated demands for water between 2010 and 2035.

14.2.3 The Environment Agency is developing Catchment Abstraction Management Strategies (CAMS) which consider how much water can be abstracted from watercourses without damaging the environment. They recognise the needs of abstractors whilst also fitting in with the requirements of the Water Framework Directive. The Environment Agency is also carrying out research into environmental limits and how they relate to infrastructure provision.

14.3 What are the key sustainability objectives we need to consider?

14.3.1 Key objectives from the IRF include:

- To maintain and improve the water quality of the region’s rivers, ground waters and coasts, and to achieve sustainable water resources management

14.4 What’s the situation now?

14.4.1 According to the Environment Agency, there is less water available per person in the South East than in many Mediterranean countries\textsuperscript{154}. Water resources are fully taken up over most of the South East although a few areas have surplus. Areas of particular water deficit are the Isle of Wight, most of Kent and the Thames Gateway, and parts of Hampshire and Buckinghamshire - see Figure 19.

14.4.2 Per capita domestic water use in the South East region has decreased over the last few years; however overall water use in the region is increasing because of the increasing number of households in the region\textsuperscript{156} - see Table 30.


Table 30: Water resources indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>pre-2003</th>
<th>2003/4</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per capita water consumption: measured / unmeasured households (litres)</td>
<td>156 ave.</td>
<td>155 / 168</td>
<td>148 / 166</td>
<td>137 / 157</td>
<td>stabilise at current levels</td>
<td></td>
</tr>
<tr>
<td>Population that are within water resource zones that are in deficit</td>
<td>several sub-regions show deficit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

14.4.3 28% of homes in England and Wales have water meters. Households with metered water have so far used about 10% less water than those that are unmetered, although it is not clear whether this reduction would also take place for the remaining households\(^{157}\). All homes on the Isle of Wight have had water meters since 1988. Up to one-quarter of the island’s drinking water is brought in from the mainland. The two Cross Solent Mains were replaced in 2008 with a larger ones, to help deal with expected population increases on the island.

14.4.4 All eight water companies in the South East are reducing their leakage rates, but five of them still have an average leakage rate of over 100 litres per property per day\(^{158}\).

14.5 What will be the situation without the plan?

14.5.1 Climate change is likely to lead to both less water being available in hot summers, and people wanting to use more water during those times. Figure 20 shows predicted reductions in summer rainfall to about 2080\(^{159}\); winter rainfall is expected to increase over time, but not as quickly as summer rainfall will decrease.

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\(^{157}\) The characteristics of still-unmetered households are probably different from those that have chosen to be metered (who are typically lower water using households or people moving to new homes). Currently unmetered households may not be able to reduce their water consumption; conversely, they may be particularly profligate with water and thus reduce their consumption particularly strongly when metered.


14.5.2 An ODPM report on the impacts of different housing scenarios\textsuperscript{160} notes: “Increasing demand across the south occurs in the context of an already stressed water environment... Those companies and customers most affected will occur where the additional housing is located in zones with most limited headroom in water supply e.g. parts of the Thames where significant new options for supply are being considered (reservoirs and transfers)”.

14.5.3 Defra has proposed a series of changes that would allow water companies to more easily impose compulsory water metering\textsuperscript{161}. Emerging water company plans would increase the proportion of existing homes that have water meters: for instance Southern Water proposes to have compulsory metering in all homes by 2015, and Thames Water proposes a 10-year programme of targeted compulsory metering of households starting in 2010\textsuperscript{162}.


14.6 What would have been the situation under the Draft South East Plan?

14.6.1 Key policies in the Draft South East Plan that were likely to increase water use were:

- **H1 Housing Provision**, which required provision of 28,900 additional homes per year to 2026.
- **RE1 Supporting Regionally Important Sectors and Clusters**, which required local authorities to ensure that land and premises are available to meet the requirements of important sectors and clusters.
- **RE2 Employment and Land Provision**, which required authorities to make provision for employment sites to meet ‘more general needs’.

14.6.2 Key policies that aimed to minimise or counter these impacts were:

- **NRM1 Sustainable Water Resources, Groundwater and River Water Quality management**, promoted a ‘twin track’ approach of demand management and water resource development, and required local authorities to work with water and sewerage companies to “ensure that the rate and location of development... is in step with current and planned provision of adequate water supply... infrastructure capacity”.
- **NRM 2 Strategic Water Resources Development** listed five new or enlarged reservoirs that “may be required” to be operational by 2026: Upper Thames, Bewl enlargement, Broad Oak, Clay Hill and Havant Thicket.
- **CC4 Sustainable Construction**, which required high standards of water efficiency that exceed current standards required by Building Regulations and reflect best practice.
- **CC5 Infrastructure and Implementation**, which required the scale and pace of development to be “dependent on there being sufficient capacity in existing infrastructure to meet the area’s current needs and the provision of new infrastructure to meet the needs of new development... iii. Development shall not proceed until the relevant planning authorities are satisfied that the necessary infrastructure required to serve the development is available or will be provided in time”. The Implementation Plan specified that infrastructure included water supply.

14.6.3 The Roger Tym Report used the ODPM Sustainable Impacts Model to predict that 28,900 more dwellings per year would require 78,316 million litres per year. The model assumed that net change in population is the key variable in modelling increases in household consumption. Given that people who live in large households use less water
per person than those who live in smaller households\textsuperscript{163} (so an increase in household numbers also affects water demand even when the population stays the same); this figure may well be an under-estimate. This figure also did not seem to take into account non-domestic water use and leakage.

14.6.4 The Roger Tym & Partners report noted that “Although increasing the provision of housing in the South East is expected to result in a rise in water use, this increase may be offset by a number of measures. These include installing water efficient fittings and appliances, encouraging behavioural change and installing water meters”.

14.6.5 However the SA of the Draft South East Plan raised concerns about both the demand management and the resource provision ‘tracks’ proposed by the plan: “Both elements of this approach raise serious questions of feasibility. In the case of new infrastructure the process and timescales for building new capacity are not a given in terms of a positive outcome i.e. there are a large number of planning, environmental and community issues that need to be addressed. Many sites have been contested on environmental impact and other grounds over a number of years. In the case of demand management the ability of central government and the utilities to introduce policies and initiatives of significant calibre to produce the step change in behaviour required within the necessary timescales is unclear. Experience to date suggests that this will be a major challenge”.

14.7 What would have been the situation under the Draft Proposed Changes?

14.7.1 The key change in the Draft Proposed Changes that would increase water use was H1 Housing Provision, which required provision of an additional 33,125 (almost an extra 15%) more homes per year to 2026.

14.7.2 Key additional or changed policies that aimed to minimise or counter these impacts were:

- NRM1 Sustainable Water Resources and Groundwater, which was changed to state that local authorities must “Set out the local circumstances under which water efficiency standards exceeding current standards required by the Building Regulations will be expected”, and that various bodies will “ensure that development provided for in the RSS is matched with substantial improvements in water efficiency, which will be delivered through a progressive, year on year, reduction in per capita consumption rates. Savings should be monitored against a per capita per day consumption target”.

\textsuperscript{163} For instance, data from Thames Water suggests that people in one-person households use, on average, 223 litres of water per person per day; those in two-person households 182; in three-person households 136; in four-person households 129; in five-person households 121; and in six-person households 85; http://www.publications.parliament.uk/pa/ld200506/ldselect/ldsctech/191/19116.htm#n139
• An additional clause in CC4 Sustainable Design and Construction which noted that “Where there are demonstrable and locally specific opportunities to deliver development which incorporates environmental standards higher than level 3 of the Code for Sustainable Homes these should be identified in Local Development Documents and underpinned with evidence that such standards are deliverable”.

• This was later amended in the Proposed Changes to: “There will be situations where it could be appropriate for local planning authorities to anticipate levels of building sustainability in advance of those set out nationally, for identified area or site-specific opportunities. When proposing any local requirements for sustainable buildings, local planning authorities must be able to demonstrate clearly the local circumstances that warrant and allow this and set them out in Development Plan Documents”.

• The wording of CC7 on infrastructure (formerly CC5) was changed to 1. no longer refer to providing for current needs and 2. remove the section iii. ‘conditionality clause’. The new policy wording was “The scale and pace of development will depend on sufficient capacity being available in existing infrastructure to meet the needs of new development. Where sufficient capacity cannot be demonstrated the scale and pace of development will be dependent on the prospects of releasing capacity through management of demand or through provision of new infrastructure... The phasing of development will be closely related to the provision of infrastructure”. This is discussed further in Chapter 4.

14.7.3 Roger Tym & Partners suggested that an annual dwelling provision of 33,000 would lead to increased water use of 87,347 million litres per year, 9,031 million litres more than under the Draft South East Plan. Again, this was likely to be an under-estimate because of the influence of household size and because it does not take into account non-domestic use or leakage. It also did not take into account the Code for Sustainable Homes and behavioural change, which are likely to reduce per capita consumption.

14.8 How can we mitigate / enhance effects (our recommendations) and what was the Secretary of State’s response to our recommendations?

14.8.1 Based on early information from the Environment Agency, the SA for the Draft Proposed Changes identified areas of possible future water deficiency. It noted that significant improvements in water efficiency in existing homes through retrofits may be difficult to achieve (see Box 8); and that a combination of retrofitting and metering – especially with smart tariffs – could be expected to achieve more than either alone: they would make it technically easier for people to use less water, more politically acceptable to make unnecessary use more expensive, and make the price measures would have on consumption more effective.
14.8.2 The SA recommended that, pending further more detailed feedback from the Environment Agency, Policy H1 housing allocations in the following districts should be reconsidered due to water resource constraints: Canterbury, Crawley/Gatwick, Havant, Isle of Wight, Maidstone, Medway, Mid Sussex, Milton Keynes, Portsmouth, Reigate and Bansted, Test Valley. Water provision at Medway and South Hampshire was identified as being particularly problematic.
Box 8: Water efficiency retrofits

An Environment Agency study (1) concluded that household water consumption could be reduced by about 18% through low-cost retrofits that do not involve behavioural change: low-flow showerheads, taps etc. The ongoing ‘Savings on Tap’ project in south Ashford aims to save about 10% of household water use through behavioural change and simple improvements to toilets. However, experience to date with larger-scale water efficiency retrofits of existing homes suggests that such retrofits are not easy to implement on a large scale, and that reductions in water use may be relatively limited.

We are aware of three larger-scale attempts at retrofitting water efficiency appliances in existing housing for which data exist:

A full retrofit of 37 existing homes in Seattle (2) led to an average reduction in water use of 37%, with the biggest savings being through improvements to toilets and washing machines. However this was from a starting point of about 250 litres per person per day (average UK is about 160) which should have led to some ‘easy wins’, and was for a limited number of intensively-monitored volunteer households.

A retrofit programme of public housing in Sydney (3) involving installation of water-efficient showerheads, tap-flow regulators and toilet cistern flush arrestors led to a 21% take-up rate amongst eligible households, and a saving of about 15 litres per person per day. Almost 8000 retrofits were carried out in 2004/5, and another 50,000 were planned by 2008. A rebate programme to help people to install rainwater collectors led to savings of about 45 litres/day: however even this, which involved significant financial support for a major piece of equipment, saved just over 10% of water per day, from a very high starting point of about 426 litres per person per day.

A retrofit of (only) showerheads in the north-west US (4) led to a 66% take-up, after an intensive programme of telephone recruitment, free professional installation, and a cash incentive. Fifteen months after the retrofit, between 9% and 14% of the new showerheads had been re-replaced with the previous ones. Water savings – calculated via reduced energy use - were less than expected, possibly because some functions (like washing hair) requires a minimum amount of water, or because the spray pattern from the efficient showerhead felt cooler so users turned up the temperature, using more water.

These studies suggest that a high take-up rate of behavioural change and technical retrofits which lead to significant reductions in water use may well be difficult to achieve. We thus believe that Scenarios 3 and 4 - 20% efficiency in 21% of existing homes – would be difficult to achieve. That said, increased metering, probable changes to building regulations, and possible roll-out of labelling schemes should all support such retrofits.

14.8.3 The SA also suggested that, given the severe constraints on water resources in the South East, there is justification for requiring water efficiency that significantly exceeds current Building Regulations, at least in areas identified by the Environment Agency as subject to water resource constraints. It reiterated that the RSS should specify that Code for Sustainable Homes level 3 or more would be required for those areas. It also recommended that policy CC7 on infrastructure should be rewritten to reinstate the ‘conditionality clause’.

14.8.4 The Secretary of State’s response to our recommendations is set out below.

<table>
<thead>
<tr>
<th>SA recommendation / comment</th>
<th>SoS reasoning</th>
<th>Changes made to RSS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing allocations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pending further more detailed feedback from the Environment Agency, housing allocations (H1) in the following districts should be reconsidered due to water resource constraints: Canterbury, Crawley/Gatwick, Havant, Isle of Wight, Maidstone, Medway, Mid Sussex, Milton Keynes, Portsmouth, Reigate and Banstead, Test Valley. Particularly acute problems are likely at Medway and South Hampshire.</td>
<td>Added to NRM1: “v. Direct new development to areas where adequate water supply can be guaranteed from existing and potential’ water supply infrastructure. Where this is not possible, development should be phased so that sustainable new capacity can be provided ahead of new development.”</td>
<td>And to the supporting text: “Water supply constraints work has identified potential water constraints in some areas, pending more detailed feedback from the Environment Agency. Should this feedback confirm these constraints significant new development in the following districts should be directed to areas where water supply can be guaranteed. Alternatively development should be phased so that supporting infrastructure... can be put in place before development commences. The districts currently identified are: • Canterbury, • Crawley • Gatwick • Havant</td>
</tr>
</tbody>
</table>
Given the severe constraints on water resources in the South East, we believe that there is justification for requiring water efficiency that significantly exceeds current Building Regulations in CC4, at least in areas identified by the Environment Agency as subject to water resource constraints: specify that Code for Sustainable Homes level 3 or more would be required for those areas?

We accept that there is a need to make sure water supply issues do not affect the integrity of sites, but do not consider this to be suitable for inclusion in the RSS for the following reasons:

- Water efficiency improvements are a matter for the ramping up of national building and other regulations on the one hand and having a detailed understanding of local water infrastructure requirements on the other. It is considered that creating what in effect a separate regional set of building regulations on water efficiency risks confusion, delay and a situation where the implications for housing delivery can not be taken into account. The reasoned justification to Policy NRM1 contains more detail on this.
- RSS is expected to "consider and take account of water resources" by PPS1 (Climate Change, para 13) and much of the work by the Environment Agency is relevant to creating a regional understanding of water availability. This work will be invaluable to creating a more detailed understanding of what is required in the local forward planning process, including planning authorities.
taking into account infrastructure capacity (including for water) in selecting land for development (para 24 of the same PPS) and in planning authorities’ consideration of whether it would be appropriate to set higher standards for particular sites/development areas on the grounds of water scarcity (in line with paras 30 – 33 of the PPS).

14.9 What will be the situation under the Final Revisions / South East Plan?

Significant changes

14.9.1 The Final Revisions make only minor changes to policy CC4 on sustainable design, and no changes to policy NRM1 on sustainable water resources. They also change Policy SH8 to help ensure the provision of adequate water supply infrastructure in South Hampshire.

14.9.2 More importantly, the revised Policy H1 reduces the number of homes to be built in the region from an average of ‘at least’ 33,125 per year to 32,700 per year. This could slightly reduce the anticipated increase in water use in the region even if the population levels in the region are not different from those that would result from the Proposed Changes (see Chapter 4). The removal of ‘at least’ will give greater certainty regarding future infrastructure requirements, and thus a better basis for forward planning by infrastructure providers.

14.9.3 However the Final Revisions do not implement the Environment Agency’s recommendation that the RSS should include Code for Sustainable Homes standards. Table 31 shows the Environment Agency’s location-specific recommendations, and changes made to the RSS.
### Table 31: Location-specific water resource related changes in Final South East Plan

<table>
<thead>
<tr>
<th>Location</th>
<th>Environ. Agency comment/recommendation</th>
<th>Changes made in Final South East Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Hampshire</td>
<td>Suggest that new development should achieve Code Level 3 (105 litres per capita consumption)</td>
<td>SH8 - “ensure that decisions on additional… water supply infrastructure will be taken on the basis of environmental sustainability as well as cost… ensure that water abstraction… are in accordance with environmental legislation”</td>
</tr>
<tr>
<td>London Fringe</td>
<td>Water in this sub-region is not available, over-abstracted or over-licensed. All relevant local development documents should promote the twin-track approach of demand management and water resource development, and should set a minimum water efficiency standard of CSH level 3/4 for all new development, with an aspiration to achieve CSH level 5/6</td>
<td>(minor change of wording in the introductory section only) Housing numbers in H1 reduced from 48,620 to 47,880</td>
</tr>
<tr>
<td>Western Corridor and Blackwater Valley</td>
<td>All relevant local development documents should promote the twin-track approach of demand management and water resource development, and should set a minimum water efficiency standard of CSH level 3/4 for all new development</td>
<td>(no change)</td>
</tr>
<tr>
<td>Milton Keynes and Aylesbury Vale</td>
<td>Water in this sub-region is not available, over-abstracted or over-licensed. All relevant local development documents should promote the twin-track approach of demand management and water resource development, and should set a minimum water efficiency standard of CSH level 3/4 for all new development, with an aspiration to achieve CSH level 5/6. Water services infrastructure to be planned and programmed in accordance with a strategic approach</td>
<td>(no change) Housing numbers in H1 reduced from 71,460 to 68,260</td>
</tr>
</tbody>
</table>
Residual impacts

14.9.4 The Final South East Plan goes a long way towards identifying and managing water resources issues in the region. However accommodating more than 650,000 new households in the region will inevitably have an effect on water resources, even if the region’s population does not increase proportionately. Furthermore, without strong and concerted demand management measures – more so than are provided in the Final South East Plan and through current government policy - per capita water use is unlikely to significantly reduce.

14.9.5 Thames Water’s draft water resources management plan acknowledges the Government’s aspirations regarding future per capita reductions in water demand, but still assumes that new properties will use 125 litres per person per day and states that “this is an optimistic assessment”. It also states that “We consider that reaching 130 l/hd/d in existing properties within the Thames Water supply area is unlikely… Over the last 6 years, Thames water has reported [per capita consumption] on average 12 l/hd/d higher than the national average for water and sewerage companies. Additionally the impact of reducing household size and increased garden watering due to the impact of climate change must temper the achievability of this aspiration”.

14.9.6 Southern Water, in its draft water resources management plan, also refers to the Government reports but notes that “without regulation it is unclear how such a consumption target can be achieved or more importantly, sustained over time”. It assumes that per capita consumption in new properties will be the same as that in the existing metered housing stock, and that consumption in existing properties will not decrease.

14.9.7 Given the severe constraints on water resources in the South East, we still believe that there is justification for requiring water efficiency that significantly exceeds current Building Regulations. The Environment Agency recommended in its consultation response to the Proposed Changes that Policy CC4 (Sustainable Design and Construction) should require that “Water efficiency standards of at least Level 3/4 for the Code for Sustainable Homes be applied to all new residential development with a preferred level 5/6 achieved by 2015, unless it can be demonstrated that this is not achievable.” Both the SA for the Proposed Changes and a draft of this SA recommended that the RSS should specify that Code for Sustainable Homes level 3 or better should be required throughout the region, or at least in areas identified by the Environment Agency as subject to water resource constraints. The extra cost of going

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from current water standards to Code for Sustainable Homes level 3 would be about £125 per dwelling\textsuperscript{166}.

14.9.8 GOSE has decided not to include such a requirement for two main reasons:

- Policy CC4 on sustainable design and construction already points to the pro-active role that both the planning system and local authorities can play on water efficiency through their LDFs. CC4 states that “There will be situations where it could be appropriate for local planning authorities to anticipate levels of building sustainability in advance of those set out nationally, for identified development area or site-specific opportunities. When proposing any local requirements for sustainable buildings, local planning authorities must be able to demonstrate clearly the local circumstances that warrant and allow this and set them out in Development Plan Documents.” Policy NRM1: Sustainable Water Resources and Groundwater Quality also requires local authorities to "identify any circumstances under which new development will need to be supported by water efficiency standards exceeding extant Building Regulations standards". However, this will have to be on the basis of evidence, subject to public consultation, and be tested through examination-in-public by the Planning Inspectorate.

- GOSE also comment that the RSS is in line with national policy and consistent with what the Secretary of State consulted upon. It would be invidious now to change that policy without further consultation and collective agreement. To do otherwise would leave the Government open to the risk of successful legal challenge.

14.9.9 These points suggest that provision of new water resources will need to be the stronger of the two ‘twin tracks’ of demand reduction and resource provision.

14.10 Conclusions on water resources

14.10.1 RSSs’ remit for setting housing allocations and identifying employment sites means that they have the potential to have significant negative impacts on water resources. However, they have very few ways to avoid these impacts or to protect water resources: they can support the use of building standards that exceed Building Regulations, but only under certain conditions; they can help to identify locations for water resource infrastructure; and they can support and promote water efficiency measures. Most of the remit for providing water infrastructure is with the water companies; and for setting fiscal and regulatory regimes to encourage water efficiency is with national government.

14.10.2 The RSS for the South East will lead to increased water use because of its proposal for more housing and employment. It supports water efficiency, although this support could be stronger. Although it also supports the provision of water infrastructure, it stops short

of making new development dependent on provision of adequate water infrastructure. As such, it will have a significant impact on water resources.

<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Final South East Plan</th>
<th>Final South East Plan plus other plans, programmes etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short/medium term (to about 2020)</td>
<td>The RSS will lead to more housing and employment. Although per capita water use is likely to decrease, total water use in the region is likely to increase. The Environment Agency expects the RSS’s ‘twin-track’ approach of providing more water resource infrastructure and influencing people’s behaviour to keep resources in balance. However both ‘tracks’ are subject to uncertainties, and it is possible that water resources will be a constraint within the lifetime of the RSS.</td>
<td>Climate change is likely to increase water use; water metering and implementation of the Water Framework Directive to decrease it. Other regions are likely to increase the pressure on water resources due to increased households / population.</td>
</tr>
<tr>
<td>Long term (beyond 2020)</td>
<td>Impacts on water use in the region are likely to grow over time, as more housing and employment development is built, and as the water infrastructure deficit increases.</td>
<td>Climate change is likely to exacerbate water resource problems in the long term.</td>
</tr>
<tr>
<td>Areas likely to be significantly affected</td>
<td>South Hampshire, London Fringe, Western Corridor and Blackwater Valley, and Milton Keynes and Aylesbury Vale.</td>
<td></td>
</tr>
<tr>
<td>Permanent vs. temporary</td>
<td>Many of the RSS’s impacts on water resources could be reversed with appropriate national policies (e.g. compulsory metering) or provision of new infrastructure. As such, the impacts are likely to be permanent until/unless measures are taken by water companies, OFWAT, national government or individuals (i.e. they are potentially temporary).</td>
<td></td>
</tr>
<tr>
<td>Secondary</td>
<td>Water resources affect biodiversity, human health, and the economy</td>
<td></td>
</tr>
</tbody>
</table>

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15 HRA / AA

15.1 Introduction

Overview of the HRA/AA of the draft RSS (2006)

15.1.1 The section below summarises the results of the HRA/AA of the draft RSS in order to provide background to this report. It is not intended to be fully comprehensive and for further detail (including details of impacts ‘in combination’) reference should be made to the full two-volume report published by SEERA167. It was determined that for most impacts the RSS (when considered within the context of background trends such as the trend in water quality deterioration due to agricultural runoff) would make the primary contribution to the overall ‘in combination’ effect with other plans and projects either exacerbating the effect of the RSS by making an additional contribution via the same pathways (e.g. repairs to flood defences exacerbating coastal squeeze as a result of housing to be delivered by the RSS) or through making an adverse effect via a separate pathway but leading to an overall accumulation of adverse effects on the same European site (e.g. the impact of the decommissioning of Dungeness Power Station on Dungeness SAC, SPA & Ramsar).

15.1.2 It was identified that the effects of the RSS itself would be heightened when considered in combination with other projects and plans but it was considered that the avoidance and mitigation measures that the RSS would need to deliver to address its own effects were sufficient to mitigate its contribution to the overall effect. The exception was with regard to deteriorating air quality for which it was determined that the RSS would lead to an adverse effect primarily because of its cumulative contribution to an overall deterioration when considered in combination with other projects and plans (e.g. new point sources such as the expansion of Lydd and Gatwick Airports and plans for a new waste incinerator and gas power station on the Isle of Grain) and this led to the devising of mitigation measures that may not otherwise have been required.

Urbanisation issues

15.1.3 The growth described in the draft South East Plan was considered likely to increase the intensity of existing urbanisation impacts or increase the occurrence and magnitude of new impacts. The HRA/AA was unable to demonstrate that the growth described in the draft South East Plan would not result in a significant impact on some European sites from the effects of urbanism. Eight European sites were specifically identified as being at particular risk of an adverse effect on the integrity of the site as a result of urbanisation effects: Burnham Beeches SAC. Mole Gap to Reigate Escarpment SAC, North Downs Woodlands SAC, Thursley, Ash, Purbright & Chobham SAC, Thursley

Hankley and Frensham Commons (Wealden Heaths Phase I) SPA, Thames Basin Heaths SPA, Wealden Heaths Phase II SPA and Thursley & Ockley Bogs Ramsar site.

**Recreational pressure**

15.1.4 The HRA/AA of the draft RSS was unable to show that the increased recreational pressure which is likely to arise from the draft South East Plan would not have a significant impact on European sites in the absence of mitigation, although the scale of the impact was difficult to determine. Sixty-nine European sites were considered to be a risk of an adverse effect on the integrity as a result of increased recreational pressure.

**Water quality**

15.1.5 The HRA/AA of the draft RSS identified 54 European sites for which it was not possible to conclude that the draft RSS was unlikely, in the absence of mitigation, to have an adverse impact, either alone or in combination with other plans and projects, as a result of deteriorating water quality. This was due primarily to the need to consider not only sites that may be affected by effluent of deteriorating quality due to waste-water treatment works being near capacity but also the general increase in volumes of treated effluent that would be discharged into these sites as a result of the increase in dwellings within the South East.

**Water resources**

15.1.6 The HRA/AA of the draft RSS determined that the growth described in the draft South East Plan was likely to require additional water abstraction. It was identified that many of the wetland European sites in the South East are currently affected by several abstractions. It was noted that the Environment Agency were unable to conclude that, at full licensed volume, licensed abstractions (particularly in combination) are not adversely affecting the integrity of some European sites. In this context, it was therefore considered difficult to conclude that the water resource requirement of the growth promoted in the draft South East Plan may not have an adverse effect on the integrity of 39 European sites, which were identified in the report.

**Coastal squeeze**

15.1.7 The South East Plan promotes development within both the Thames Gateway and the South Hampshire sub-region, since these are already subject to high-density urban development. However, they are also the location for a number of large European sites that are vulnerable to coastal squeeze. The HRA/AA of the RSS identified a number of elements of the South East Plan that could contribute to coastal squeeze on the Solent Maritime SAC, Solent & Isle of Wight Lagoons SAC, Chichester & Langstone Harbours SPA & Ramsar, Portsmouth Harbour SPA, Solent & Southampton Water SPA, Medway Estuary & Marshes SPA & Ramsar, Thames Estuary & Marshes SPA & Ramsar, Thanet Coast & Sandwich Bay SPA & Ramsar and The Swale SPA & Ramsar.
Air quality

15.1.8 The HRA/AA of the draft RSS determined that the most important potential contribution of the South East Plan to atmospheric pollutants of harm to European sites would be the production of NOx through increased traffic movements associated with the new housing allocations, commercial floorspace and investment in ports and regional airports. The minerals and waste policies of the draft RSS were also considered to affect air quality by increasing the number of heavy vehicles on major roads within the South East. In localised cases, where major roads lie immediately adjacent to a European site, there may also be significant dust impacts.

15.1.9 Due to the strategic nature of the South East Plan, detailed site/project level information was not available, and it was therefore been necessary to assume that the effects of increases in NOx (and thus nitrogen deposition) on all 29 European sites that are located within 200 m of major roads will be significant, in the absence of mitigation.

Overview of the HRA/AA of the Secretary of State’s draft Proposed Changes (2008)

15.1.10 With regard to the impacts of the RSS upon European sites, the principal Proposed Change was to significantly increase the quantum of housing to be delivered in many districts and as such this was the focus of the Appropriate Assessment of the draft Proposed Changes. Once again, this section is intended as a summary and is not intended to be fully comprehensive. Further details are available in the SA/HRA of the draft Proposed Changes.

15.1.11 While no new impacts or effects were identified during the HRA/AA of the draft Proposed Changes (since the only significant change was an alteration in the quantity and rate of housing provision in certain districts) and only a small number of additional plans and projects (beyond those identified and considered within the HRA/AA of the draft RSS in 2006) were identified as likely to work ‘in combination’ with the RSS\(^\text{168}\). It was concluded that the scale, probability of occurrence and probable duration of many of those effects (urbanisation, recreational pressure, water resource availability, deteriorating water quality, increased coastal squeeze and deteriorating air quality) in some districts and upon some European sites would be exacerbated by the additional housing to be delivered. In addition, it was identified that several mitigation or avoidance measures identified during the Appropriate Assessment of the draft RSS had not been reflected by changes to the RSS.

15.1.12 Furthermore, it was established after consideration of new data and information that had become available since the draft South East Plan was produced (particularly the completion of the Environment Agency’s Review of Consents process, difficulties

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\(^{168}\) Principally the additional housing to be delivered at Bordon-Whitehill as part of the prospective Eco-town, which may go beyond the housing levels identified in the RSS and thereby lead to increased effects on the Wealden Heaths Phase 2 SPA albeit via the same pathways (principally air quality, urbanisation and recreational pressure).
encountered by some local authorities in delivering adequate SANGS provision within the vicinity of the Thames Basin Heaths and the completion of several Appropriate Assessment’s of local authority Core Strategies) that in some locations (particularly the South Hampshire sub-region) even the housing proposed under the draft RSS may prove more difficult to deliver without adverse effects. Since this report was therefore more focussed on how a change in the quantum of development may affect delivery of identified regional mitigation and avoidance measures it was decided that a detailed description of impacts on all European sites was not necessary as it would be repetitive and would duplicate much of the information already contained in the HRA/AA of the draft RSS; however, all European sites covered by the HRA/AA of the draft RSS (see the maps in Volume 3) were considered in formulating the HRA/AA report for the Proposed Changes.

**Urbanisation**

15.1.13 The Draft Proposed Changes adopted the majority of the recommendations made in 2006 and it was not considered that the delivery of these would be jeopardized by the additional housing levels to be delivered by the Draft Proposed Changes. It was however, identified that extending the promotion of site management and the ability to create ‘exclusion zones’ to European sites other than the Thames Basin Heaths would aid considerably to ensuring that adverse effects on European sites as a result of urbanisation could be avoided.

**Recreation**

15.1.14 The Draft Proposed Changes involved substantial increase in the housing allocated to areas that were already identified as being under considerable recreational pressure in the 2006 HRA / AA. The experiences of local authorities and other organisations in trying to implement the type of measures that would be required to avoid or mitigate for recreational impacts, specifically the provision of SANGS and to a lesser extent alternative greenspace to the Accessible Natural Greenspace (ANG) standard, raised questions as to the practical deliverability of this key mitigation measure in certain locations without further assurances and the need for the provision of alternative greenspace to be coupled with other recreational management approaches.

**Terrestrial European sites**

15.1.15 The problems with relying on alternative greenspace provision were clearest on examination of the issues involved with the Thames Basin Heaths. The work done by the Thames Basin Heaths local authorities to underlie the draft Thames Basin Heaths Delivery Plan demonstrated that (notwithstanding earlier studies that may have indicated the contrary) there is insufficient alternative open space, or area available to convert to alternative open space, to be able to provide sufficient SANGS to deal with the 19% further increase in housing provision under the draft Proposed Changes. The Thames Basin Heaths SPA was acknowledged as something of a special case due to a unique combination of high development pressures within very close proximity to a fragmented
SPA that is already surrounded by large urban areas from which it draws most of its visitors. However, even when one moves from the Thames Basin Heaths to consider other European sites, potential problems with ANG Standard open space provision have come to light.

15.1.16 The workshops that were undertaken in 2006 for the HRA/AA of the draft RSS (which involved representatives of RSPB, Natural England, the Environment Agency, Wildlife Trusts and local authorities) clearly indicated that to avoid or mitigate for recreational pressure on sensitive European sites the strategy will generally resolve itself into some combination of physical separation (whether formal ‘buffer zones’ or not), access and visitor management (which could consist of short-term car-park closures, re-routing of footpaths, closure of site access at vulnerable seasons or times of day, increased signage, increased wardening etc.), alternative natural greenspace provision and (to a lesser extent) site management. As such, it was concluded that it was essential that the Draft Proposed Changes allow and specifically encourage other mechanisms besides provision of alternative natural recreational greenspace, particularly access management and physical separation of development. This was considered to be particularly relevant for the New Forest SAC/SPA and Ashdown Forest SAC/SPA which have a high intrinsic/historic appeal as attractions and a particularly large recreational catchment such that provision of alternative recreational space alone is unlikely to provide adequate mitigation.

Estuarine/coastal European sites

15.1.17 Avoiding and mitigating the recreational impacts from development upon estuarine and coastal sites were considered to be only partially related to additional greenspace provision; visitor management was concluded to be at least as important and possibly more so, since much of the recreational activity within these sites depend upon the marine/coastal location, which cannot be replicated elsewhere. Details of visitor management depend upon the European site in question but it was identified that many estuaries are already subject to management plans which have the management of recreational activity as a declared initiative (e.g. Medway Estuary & Swale Estuary Partnership Strategy). It was also noted that the RSPB have a declared initiative for their reserve at Dungeness SAC/Dungeness to Pett Level SPA/Ramsar site to keep visitor numbers below 40,000 per annum in order to avoid damage to the site and visitor pressure at the Dungeness NNR is managed through a combination of access charges, visitor centres, and information about site sensitivity.

15.1.18 The mitigation measures identified in 2006 for estuarine sites were concerned as much with access and visitor management as with the provision of alternative open space and it is considered unlikely that the increased housing numbers under the Proposed Changes would make such access and visitor management (which could consist of

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short-term car-park closures, re-routing of footpaths, closure of site access at vulnerable seasons or times of day, increased signage, increased wardening etc.) impossible provided that adequate funding is available. As such, it was concluded that it was essential that the Draft Proposed Changes allow and specifically encourage other mechanisms besides provision of alternative natural recreational greenspace, particularly access management and physical separation of development.

**Water quality**

15.1.19 Issues of water quality were identified during the HRA/AA of the Draft Proposed Changes to particularly relate to the Solent (Hampshire/West Sussex) European sites and designated rivers (River Itchen in particular).

**Phosphorus in the River Itchen**

15.1.20 The Environment Agency has examined the proposed housing allocations related to inland STWs in the Southern Region. Other than those in Hampshire, all are determined to be nominally feasible if local authorities are willing to move houses around their district, i.e. no district is so constrained by STW capacity that it would not be able to meet its housing allocations. It is therefore clear that the ability to deliver the housing proposed for South Hampshire under the Proposed Changes is currently severely constrained by the need to connect to Chickenhall STW and Harestock STW in particular and to a lesser extent by progress with retro-fitting phosphorus stripping technology to the other STWs that discharge to the River Itchen.

**Nitrogen in the marine environment**

15.1.21 The marine sites already suffer from smothering algal growth as a result of nutrient enrichment (specifically nitrates) - while this is mainly due to agricultural runoff, increased volumes of discharged treated effluent would only exacerbate this issue and much of the sewage treated in Hampshire would ultimately be received by the Solent. In contrast, while nutrient levels within the Kent and Thames estuaries are high this does not result in the same smothering macroalgal growth due a combination of high turbidity, tidal energy and erosion. 

15.1.22 Most STWs in Hampshire and the Isle of Wight, as well as some in Chichester (such as Apuldram STW) will potentially contribute to increased nitrogen loading in the Solent European sites as they all discharge to watercourses that ultimately drain to the Solent. Even for those STWs that have not reached maximum capacity, it was concluded that an increased volume of effluent would mean an increased nitrogen loading. Under the Draft Proposed Changes, the total quantity of additional housing that would be delivered within Hampshire and Chichester would be 11,700 above that proposed in the Draft South East Plan. It was noted that the Environment Agency had concluded that in order to protect the receiving waters from high nitrogen loads, a number of STW's would

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170 Dave Lowthion, Environment Agency Supra-Area Marine Team Leader, Southern Region, personal communication in 2006
require tighter nitrogen consents and that these may need to be greater than Best Available Technology Not Entailing Excessive Cost. Therefore, if greater than BATNEEC could not be achieved, the result would be a potentially major constraint on development throughout Hampshire and parts of Chichester and to a lesser extent Sussex more widely (the latter in relation to Pevensey Levels Ramsar site and Dungeness SAC/Dungeness to Pett Level SPA).

Water resources

15.1.23 In order to support the Draft South East Plan, the Environment Agency carried out extensive modelling of several water resource scenarios up to and including accommodating growth of 40,000 dpa. The Draft Proposed Changes established a growth rate of 33,125 dpa. Since the Environment Agency led Water Resources in the South East report modelled growth of up to 40,000 dpa and identified measures that, provided they could be delivered, would enable such growth to be met, mitigation and avoidance measures already exist. However, since a higher level of development was being promoted under the Draft Proposed Changes than the draft RSS, it was concluded that the RSS needed to take a more robust approach to water efficiency.

Coastal squeeze

15.1.24 The Draft Proposed Changes were considered to be consistent with Policy NRM8 in that they did not allocate further housing to Fareham, Gosport, Havant, Portsmouth or Southampton, which, being small and relatively urban, with extensive borders with coastal European sites would have the greatest difficulty in delivering Policy NRM8. However, it was determined that many of the South Hampshire authorities would be likely to have to build in areas of high flood risk and many of those areas also constituted the relatively few locations where managed retreat of the Solent European sites could be achieved. A possible risk to protection from coastal squeeze through the potential use of the exception test to permit development in flood risk zones (and in areas at risk of exacerbating coastal squeeze) was also identified. It was concluded that these issues made it essential that additional measures were incorporated into the Draft Proposed Changes.

Air quality

15.1.25 Air quality was the area in which the largest proportion of the mitigation measures proposed were not reflected in the Panel Report or Draft Proposed Changes. As such, it was considered that the increased housing figures would further stress the air quality situation in the South East without consideration of mitigation measures. It was concluded that should include the adoption of all mitigation measures that we proposed in the original South East Plan Core Document HRA of 2006.
The Final RSS

15.1.26 The draft Proposed Changes were subject to public consultation during autumn 2008. As a result of this consultation exercise and subsequent discussions involving Government Office for the South East, Communities and Local Government, Defra, Natural England and the Environment Agency, several further changes have been made for the final RSS.

15.1.27 Some of these changes reverse amendments made during the draft Proposed Changes in recognition of consultation responses (in particular with regard to deletion of the phrase ‘at least’ that was associated with the housing figures to be delivered under Policy H1). Others make new alterations to text that had been left unaltered by the draft Proposed Changes. Much of the RSS remains largely unchanged since the draft South East Plan. However, since further alterations have been made to some policy and supporting text, these changes clearly need to be assessed in order to determine whether they are likely to alter the previously identified impacts and effects of the RSS upon European sites or generate any requirement for additional mitigation/avoidance measures.

15.1.28 In addition, since this is the final iteration of the RSS it is essential to audit the process by which recommendations stemming from the various stages of Appropriate Assessment have been taken into account in order to determine:

- Whether there remain outstanding recommendations that have not been adopted;
- If so, whether the amendments made to the final RSS provide an alternative solution to the issues which generated those recommendations, such that the recommendations are now redundant; and
- Whether the changes to the final RSS generate the need for any new recommendations (by rendering the previous recommendations inadequate).

15.1.29 The remainder of this chapter is therefore intended to cover two elements:

- Comments on the HRA received during the public consultation on the draft Proposed Changes, particularly comments from Natural England; and
- Amendments to the HRA in order to reflect changes in the RSS following public consultation on the draft Proposed Changes.

15.2 Summary of Consultation on the HRA/AA of the draft Proposed Changes

15.2.1 During the public consultation on the draft Proposed Changes, several respondents took the opportunity to comment upon the HRA of the draft Proposed Changes. Several points were raised, but the principal matters are summarised in the following table.
<table>
<thead>
<tr>
<th>Issue raised in consultation on draft Proposed Changes</th>
<th>How is this issue dealt with in the HRA/AA of the final RSS</th>
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<tr>
<td>The decision to present the Appropriate Assessment of the draft Proposed Changes thematically rather than on a policy-by-policy basis was queried by some consultees.</td>
<td>No changes made. This is essentially a presentational matter. As a result of the workshops for the draft RSS it became clear that one could categorise the adverse effects of the RSS (both alone and in combination with other projects and plans) into a series of ‘themes’ – impacts and effects that occurred repeatedly across a wide range of European sites. At EiP the HRA/AA of the draft RSS (including its structure and presentation) were judged to be ‘fit for purpose’. As such, there is much logic in continuing with the same presentational format. Moreover, since the principal draft Proposed Change of relevance to European sites stemmed from a single policy (i.e. the increase in housing under policy H1) a thematic approach is also considered appropriate.</td>
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<td>The fact that the housing levels within the draft Proposed Changes were interpreted as minima due to the use of the phrase ‘at least’ raised concerns as to whether the RSS would therefore be delivering housing that had in fact not been subject to Appropriate Assessment.</td>
<td>The issue concerning the use of the phrase ‘at least’ and the implication that the RSS may therefore deliver an effectively un-assessed quantum of additional housing has been addressed through the deletion of this phrase from the RSS itself.</td>
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<td>Natural England identified that in their view the avoidance and mitigation measures identified within the HRA of the draft Proposed Changes were not in themselves sufficient to fully avoid or mitigate any adverse effect arising at the regional level particularly with regard to urbanisation and recreational pressure impacts. In particular, Natural England advised that the RSS should commit to the provision of more detailed sub-regional guidance to local authorities regarding HRA, particularly with regard to pan-authority working in certain key areas, and should explicitly enshrine a ‘feedback loop’ in which regional housing allocations could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.</td>
<td>The issues concerning the production of further sub-regional guidance and the development of a ‘feedback loop’ system have been taken into account in amendments to policy NRM5 for the final RSS.</td>
</tr>
</tbody>
</table>
| Two key comments were made by Natural England concerning the chapter on recreational pressure:  
1. *The application of SANG’s to coastal areas is also of some concern, as the very different recreational experiences provided for at the coast,*  
<p>| 1. This was a misunderstanding of the recreation section of the report. In that section we stated in the |</p>
<table>
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<th>Issue raised in consultation on draft Proposed Changes</th>
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<td>cast doubt on whether the reliance upon SANGS would be appropriate.</td>
<td>section on recreation and estuarine European sites that provision of alternative greenspace (not necessarily SANGS but including other systems) is unlikely to provide a full solution because of a) the difficulty of providing such space for some activities i.e. water-skiing, boating and b) the intrinsic appeal of the coast. As a result it was therefore concluded that access management and physical separation of development would also be essential for these sites.</td>
</tr>
<tr>
<td>2. In relation to the HRA of the Thames Basin Heaths SPA specifically, it is not clear whether 15.4.5 represents an accurate resume of the Panel recommendations, and housing figures. Specifically Natural England was concerned that there is an increase in the amount earmarked for the 5km zone.</td>
<td>2. This comment assumes that the distribution referred to in the Panel Report applies to the housing figures within the Draft Proposed Changes. However, this is an assumption - the draft Proposed Changes did not assume any particular distribution because that is a matter to be decided by local authorities.</td>
</tr>
<tr>
<td>Natural England commented that they would appreciate greater clarity over the 'in combination' element of the HRA and how in combination effects on European sites were taken into account.</td>
<td>Further explanation of this component of the assessment process is provided in the methodology to this report.</td>
</tr>
<tr>
<td>The RSPB commented that: “Please note that the list of internationally important sites [regarding urbanisation effects] contains inaccuracies, which have been carried over from the HRA. The text should refer to the Wealden Heaths (Phase 1) SPA, rather than the Thursley, Hankley and Frensham Commons SPA; however there is no Wealden Heaths SAC... We further question the exclusion of the Wealden Heaths (Phase 2) SPA from this assessment”</td>
<td>The reference to Wealden Heaths SAC was a transcription error in the RSS of a reference in the HRA/AA of the Proposed Changes to Wealden Heaths SPA. By this we meant Wealden Heaths Phase II SPA since Wealden Heaths Phase I SPA is also known as Thursley, Hankley &amp; Frensham Commons SPA (both the JNCC website (<a href="http://www.jncc.gov.uk">www.jncc.gov.uk</a>) and Nature on the Map (<a href="http://www.natureonthemap.org.uk">www.natureonthemap.org.uk</a>) give this as the primary name of the site also known as Wealden Heaths Phase I.). As such, effects of the RSS upon Wealden Heaths Phase 2 SPA was in fact covered by the HRA/AA of the draft RSS and (also with regard to recreational pressure) in the HRA/AA of the draft Proposed Changes, in the latter case with specific reference to Bordon-Whitehill. We therefore do not believe our conclusions regarding effects of the RSS upon these European sites actually differ from those of the RSPB indicated by their comment, and they therefore do not need to be amended.</td>
</tr>
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</table>
15.3 Changes in the Final RSS

15.3.1 The key HRA-relevant aspects of the final RSS that differ from the draft Proposed Changes are contained within the table below, along with a discussion of the relevance of the change to the HRA. Policies NRM5 and NRM6 have been comprehensively re-written and as such are dealt with separately after the table.

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<tr>
<th>Page</th>
<th>Change from draft Proposed Changes to final RSS</th>
<th>Relevance of change for HRA</th>
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<tbody>
<tr>
<td>52, 200, 228, 246, 257, 258, 265, 273</td>
<td>H1, SCT5, LF3, MKAV1, MKAV2, GAT3, AOSR2 – housing numbers reduced from 662,500+ to 654,000 (from 33,125 to 32,700 per year). Change is (total provision): Sussex coast – from 70,300 to 68,900, London fringe – from 48,620 to 47,880, Gatwick – minor change rest of Buckinghamshire – from 6,100 to 3,700, rest of Hampshire – from 24,900 to 24,400, On a district level, the housing reductions are as follows: Brighton &amp; Hove – from 12,400 to 11,000, Milton Keynes – from 71,460 to 68,260, Reigate &amp; Banstead – from 11,240 to 10,000, Winchester – from 12,740 to 12,240, Removal of phrase ‘at least’ with regard to all housing allocations.</td>
<td>Minor positive change in that a reduction (however small) in the quantum of housing in Brighton &amp; Hove, Milton Keynes, Reigate &amp; Banstead and Winchester will reduce water resource pressures on European sites. No reduction is proposed in South Hampshire sub-region which was a key sub-region of concern in the HRA of the draft Proposed Changes. The wording concerning phasing of the DERA site at Chertsey to take place after 2016 will enable it to benefit from monitoring of impacts on the Thames Basin Heaths and allow for revision if the Delivery Plan approach is not found to be working satisfactorily.</td>
</tr>
<tr>
<td>23, 207</td>
<td>Dover is now identified as a growth point</td>
<td>Actual housing levels in Dover are unchanged</td>
</tr>
</tbody>
</table>

171 It is not possible to be exact as to which European sites would be involved since that will depend heavily upon the water resource strategy adopted by the relevant water company (being associated less with the physical location of development and more with where and how the water company abstracts raw water and whether catchment or Water Resource Zone transfers are involved) and the abstraction licencing restrictions imposed by the Environment Agency.
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<tr>
<td>49, 70</td>
<td>RE6, T9 – update RSS to take account of Government decision to support a third runway at Heathrow</td>
<td>Statement of national policy rather than a component of the RSS. As such the Heathrow expansion remains appropriate only for consideration ‘in combination’, as with earlier stages of the RSS.</td>
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<td>--</td>
<td>NRM2 – includes reference to Water Framework Directive and its tests of ‘no deterioration’</td>
<td>Broadly positive in that it helps to support implementation of the Water Framework Directive and draft River Basin Management Plans; positive for water quality and biodiversity dependent on water quality</td>
</tr>
<tr>
<td>89</td>
<td>NRM5 – comprehensive changes</td>
<td>Dealt with in section below</td>
</tr>
<tr>
<td>NRM chapter</td>
<td>Paragraph 9.28. Deletion of the following text: “During the preparation of this RSS Habitats Regulation Assessment identified the following sites of international importance for nature conservation where it was not possible to conclude that there would be no adverse effect on site integrity due to urbanisation and ‘in combination’ effects. These are: Burnham Beeches SAC North Downs Woodlands SAC Thursley, Hankley and Frensham Commons SPA Wealden Heaths SAC Mole Gap to Reigate Escarpment SAC Thursley, Ash, Purbright and Chobham SAC Thursley and Ockley Bogs RAMSAR site Local authorities and partners will therefore need to ensure that any development proposals affecting these sites are able to demonstrate that in combination they will have no adverse effect on the integrity of these sites. This may include implementation of this policy, including the possible deployment of mitigation measures identified in criterion (viii).”</td>
<td>Dealt with in section below</td>
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<td>Change from draft Proposed Changes to final RSS</td>
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<tr>
<td>96</td>
<td>NRM6 – policy on Thames Basin Heaths has been comprehensively reworded</td>
<td>Dealt with in section below</td>
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<td>193</td>
<td>South Hampshire, Para 16.24 – with regard to decisions on phasing and distribution, the phrase “following subsequent iterations of Habitats Regulations Assessment of the implications on Natura 2000 and Ramsar sites” has been removed and the phrase “in order to find the most environmentally sustainable options under existing environmental legislation e.g. Habitat Regulations, Water Framework Regulations, etc.” has been added instead.</td>
<td>The text is positive, the actual change in wording is neutral</td>
</tr>
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<td>195</td>
<td>SH8 – insertion of reference to ‘water supply’ and ‘water abstraction’ as well as wastewater treatment.</td>
<td>Inclusion of reference to water supply issues alongside consideration of water quality is positive.</td>
</tr>
<tr>
<td>196</td>
<td>South Hampshire, Para 16.33 – inclusion of “further consideration of the most environmentally sustainable options for waste water disposal under current environmental legislation” into the bullet list of actions for the South Hampshire authorities to deliver in collaboration</td>
<td>Broadly positive</td>
</tr>
<tr>
<td>201</td>
<td>SCT5 - Removal of requirement to decide phasing and distribution of housing in Sussex Coast authorities only after subsequent iterations of HRA; supporting text suggests that there is now enough data to allow a decision on housing numbers of Shoreham Harbour</td>
<td>Removal of explicit reference to HRA but development within this sub-region will still be subject to other general policies (e.g. NRM5) that do direct local HRA/AA</td>
</tr>
<tr>
<td>223</td>
<td>Notes that development east of Gravesend may affect European sites</td>
<td>Positive</td>
</tr>
<tr>
<td>228</td>
<td>LF3 – reference to provision of SANGS removed from DERA site allocations</td>
<td>Neutral since this site will still have to comply with NRM6</td>
</tr>
<tr>
<td>270</td>
<td>IW1 - Development at Ryde, Sandown Bay, Ventnor and West Wight is to be subject to HRA</td>
<td>Positive</td>
</tr>
<tr>
<td>273</td>
<td>AOSR3 – Water cycle study to be carried out for Whitehill/Borden development of 5500 homes. If [additional] constraints are identified, a different scale of development may be needed</td>
<td>Positive</td>
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<td>Change from draft Proposed Changes to final RSS</td>
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<tr>
<td>274</td>
<td>Para 25.22 - “Wise use of the remaining capacity within the Chickenhall WWTW discharge consent will negate the need to consider alternative discharge locations for new development.”</td>
<td>Positive.</td>
</tr>
<tr>
<td>274</td>
<td>Para 25.23 – “The options for new developments within the area will need to be evaluated in terms of local sewage infrastructure capacity versus environmental sustainability.”</td>
<td>Positive.</td>
</tr>
<tr>
<td>208, 228, 240, 266, 273, 274</td>
<td>Several new references to wastewater treatment infrastructure needed, or need for water cycle studies: EKA2 - Ashford growth needs to be accompanied by strategic planning of sewerage infrastructure and wastewater treatment plants Footnote to LF3 – 'The Hogsmill River is currently failing to meet good ecological status as a result of phosphorous concentrations. This may have implications for housing delivery in the catchment area of the Hogsmill Sewage Treatment Works in Epsom &amp; Ewell and Elmbridge. The satisfactory resolution of this problem will require further work, which will need to be reflected in LDFs and future reviews of the RSS'. WCBV3 – Housing within catchment of Blackwater WWTW and other constrained wastewater treatment infrastructure 'will need to be informed by a water cycle study… The results of the studies will need to be reflected in LDFs and future reviews of the RSS'. GAT3 – local planning authorities must have regard to water cycle strategies etc. when locating housing AOSR3 – Water cycle study to be carried out for Whitehill/Borden development of 5500 homes. If [additional] constraints are identified, a different scale of development may be needed 'Wise use of the remaining capacity within the Chickenhall WWTW discharge consent will negate the need to consider alternative discharge locations for new development.'; mentions wastewater infrastructure constraints</td>
<td>The proposed changes deal with many of the water quality and water resource issues identified by the Environment Agency. However the RSS does not include an overarching policy on targets for water efficiency.</td>
</tr>
</tbody>
</table>
## Changes to policies NRM5 and NRM6

### Policy NRM5 (Conservation & Improvement of Biodiversity)

15.3.2 As a result of recommendations within the HRA of the draft South East Plan (2006) and discussions at the Examination in Public of the draft RSS, the Panel Report recommended the following text for policy NRM5 (then known as NRM4) in order to specifically refer to European sites and necessary recreational/urbanisation avoidance/mitigation measures that local authorities would need to consider in their own local HRAs:

15.3.3 "In the development and implementation of plans and strategies, local authorities and other bodies shall avoid a net loss of biodiversity, and actively pursue opportunities to achieve a net gain across the region by … Seeking to ensure that damage to county wildlife sites and locally important wildlife and geological sites is avoided, including areas outside the boundaries of Natura 2000 sites where these support the species for which that site has been designated … Identifying sites of international nature conservation interest (Natura 2000 sites and Ramsar wetlands – see Map NRM3) sensitive to the pressures of recreation or urbanisation and, as appropriate, working with Natural England and other stakeholders to set buffer zones around sensitive sites, provide alternative recreation land as mitigation for any possible adverse impact, in accordance with (vii) above172 and implement access management measures and work to secure improved habitat management”.

15.3.4 This wording was adopted in the draft Proposed Changes. As a result of one of the recommendations within the HRA of the draft Proposed Changes, triggered by an increase in the rate and volume of housing delivery in the South East, the supporting text of NRM5 was amended to include more specific reference to sites that had been identified during the HRA of the draft RSS as being particularly vulnerable to urbanisation, as follows:

15.3.5 “During the preparation of this RSS Habitats Regulation Assessment identified the following sites of international importance for nature conservation where it was not possible to conclude that there would be no adverse effect on site integrity due to urbanisation and ‘in combination’ effects. These are:

- Burnham Beeches SAC

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172 Point (vii) was: ‘Requiring green infrastructure to be identified, developed and implemented in conjunction with new development’.
• North Downs Woodlands SAC
• Thursley Hankley and Frensham Commons SPA\(^{173}\)
• Wealden Heaths SAC\(^{174}\)
• Mole Gap to Reigate Escarpment SAC
• Thusley, Ash, Purbright and Chobham SAC
• Thursley and Ockley Bogs Ramsar site.

15.3.6 Local Authorities and partners will need to therefore ensure that any development proposals affecting these sites are able to demonstrate that in combination they will have no adverse effect on the integrity of these sites. This may include implementation of this policy, including the possible deployment of mitigation measures identified in criterion (viii).\(^1\)

15.3.7 During the consultation on the draft Proposed Changes Natural England expressed concerns over the wording of NRM5 regarding European sites (not restricted to the changes made in the draft Proposed Changes) since:

• As part of our recommendations concerning ‘urbanisation’ effects of the RSS on European sites we recommended that the RSS should incorporate a list of those European sites which had been identified through the workshops undertaken for the HRA of the draft RSS as being most clearly at risk of adverse effects from urbanisation. However, in the wording of the draft Proposed Changes the unintentional impression was created that this was a comprehensive list of European sites. Natural England correctly identified that this was an error;

• The inclusion of any list of European sites may have the unintentional effect of focussing local authority attention on these sites within their own local assessments at the expense of other European sites which also needed consideration;

• The references to actual mitigation and avoidance strategies within the wording of NRM5 (i.e. setting of buffer zones, access management etc.) were considered too restrictive and generic and could potentially result in local authorities focussing exclusively on these mechanisms even in situations where some may not be appropriate; and

• The RSS should commit within NRM5 to the provision of more detailed sub-regional guidance to local authorities regarding HRA, particularly with regard to pan-authority working in certain key areas, and should explicitly enshrine a ‘feedback loop’ in which regional housing allocations could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical

\(^{173}\) Also known as Wealden Heaths Phase I SPA

\(^{174}\) This was an error in the draft Proposed Changes and should have read ‘Wealden Heaths (Phase II) SPA’
detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.

15.3.8 Following considerable debate between the Government Office for the South East, Communities and Local Government and Natural England the following re-worded version of NRM5 has been formulated for the final RSS (only sections specifically relevant to European sites are quoted):

15.3.9 “Local planning authorities and other bodies shall avoid a net loss of biodiversity, and actively pursue opportunities to achieve a net gain across the region.

- They must give the highest level of protection to sites of international nature conservation importance (European sites). Plans or projects implementing policies in this RSS are subject to the Habitats Directive. Where a likely significant effect of a plan or project on European sites cannot be excluded, an appropriate assessment in line with the Habitats Directive and associated regulations will be required.

- If after completing an appropriate assessment of a plan or project local planning authorities and other bodies are unable to conclude that there will be no adverse effect on the integrity of any European sites, the plan or project will not be approved, irrespective of conformity with other policies in the RSS, unless otherwise in compliance with 6(4) of the Habitats Directive.

- For example, when deciding on the distribution of housing allocations, local planning authorities should consider a range of alternative distributions within their area and should distribute an allocation in such a way that it avoids adversely affecting the integrity of European sites. In the event that a local planning authority concludes that it cannot distribute an allocation accordingly, or otherwise avoid or adequately mitigate any adverse effect, it should make provision up to the level closest to its original allocation for which it can be concluded that it can be distributed without adversely affecting the integrity of any European sites.

- They shall avoid damage to nationally important sites of special scientific interest and seek to ensure that damage to county wildlife sites and locally important wildlife and geological sites is avoided, including additional areas outside the boundaries of Natura 2000 sites where these support the species for which that site has been selected”.

15.3.10 The supporting text for Policy NRM5 elaborates on the sub-regional guidance: “To assist local planning authorities in drawing up plans that are compliant with the Habitats Directive, Natural England will work with the Secretary of State to identify those circumstances where there is a high risk of cross-boundary implications for European sites. Where these areas are identified the Secretary of State and Natural England will provide guidance for the development of avoidance and mitigation strategies to protect the integrity of European sites”. 
15.3.11 This is a comprehensive rewording that deletes any specific reference within the Natural Resources Management chapter that would direct local authorities to utilise certain techniques to address urbanisation and recreational pressure issues on European sites and avoids mentioning specific European sites, except with regard to the Thames Basin Heaths. In that sense it is therefore a more general wording than the previous versions of NRM5. We appreciate the view that identification of particular sites and measures could be interpreted too restrictively. It is an inherent difficulty in devising avoidance and mitigation measures for an RSS that unless there is a policy for each European site, any measures contained within policy must be relatively generic and can only set a framework within which more detailed site-specific measures can be developed and delivered.

15.3.12 However, the workshops that were undertaken in 2006 (involving RSPB, Natural England, the Environment Agency, Wildlife Trusts and local authorities) clearly indicated that to avoid or mitigate for urbanisation and recreational pressure on sensitive European sites the strategy will generally resolve itself into some combination of physical separation (whether formal ‘buffer zones’ or not), access management, alternative natural greenspace provision and (to a lesser extent) site management. As such it remains our view that reference to those four mechanisms within policy would provide broad direction to local authorities provided that it was clear that the precise mixture of measures and their scale would need to be tailored by local authorities based on the local circumstances (for example alternative natural greenspace is unlikely to be very effective for many coastal sites, so in those circumstances it would not be an appropriate component of the suite of avoidance/mitigation measures).

15.3.13 The reworded NRM5 and its supporting text does go further than previous versions in that it enshrines in policy the fact that more detailed sub-regional guidance for local authorities on HRA will be forthcoming from the Secretary of State and explicitly identifies a ‘feedback loop’ whereby regional housing allocations could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.

15.3.14 Recreational pressure and urbanization impacts will always be difficult to explore or resolve fully at the regional scale since they are highly dependent upon the precise location and layout of development, neither of which constitute part of the RSS or are currently available for most developments that will delivered to achieve the RSS allocations. The current rewording of NRM5 means that no policy in the Natural Resources Management chapter specifically addresses urbanisation and recreation issues. However, these impacts are covered in changes made to Policy C6 (Countryside Access & Rights of Way Management) at the draft Proposed Changes stage and which state that:

15.3.15 “On Natura 2000 and Ramsar wetland sites with an identified risk of adverse impact from recreational use or other urbanisation impact (including air pollution), [local
authorities] should promote appropriate access [management] and other management measures (both pedestrian and vehicle), to avoid such risks”.

Policy NRM6 (Thames Basin Heaths)

15.3.16 Natural England expressed concern that while the Thames Basin Heaths Delivery Plan approach was a valid mechanism for avoiding/mitigating adverse effects on some European sites it should not in their opinion be applied in its entirety to all European sites. As such they disagreed with the recommendation to extend policy NRM6 to apply to all European sites.

15.3.17 After discussion with Natural England the Secretary of State has revised the wording of Policy NRM6 as follows:

15.3.18 “New residential development which is likely to have a significant effect on the ecological integrity of Thames Basin Heaths Special Protection Area (SPA) will be required to demonstrate that adequate measures are put in place to avoid or mitigate any potential adverse effects. Such measures must be agreed with Natural England.

15.3.19 Priority should be given to directing development to those areas where potential adverse effects can be avoided without the need for mitigation measures. Where mitigation measures are required, local planning authorities, as Competent Authorities, should work in partnership to set out clearly and deliver a consistent approach to mitigation, based on the following principles:

- i. a zone of influence set at 5km linear distance from the SPA boundary will be established where measures must be taken to ensure that the integrity of the SPA is protected

- ii. within this zone of influence, there will be a 400m “exclusion zone” where mitigation measures are unlikely to be capable of protecting the integrity of the SPA. In exceptional circumstances, this may vary with the provision of evidence that demonstrates the extent of the area within which it is considered that mitigation measures will be capable of protecting the integrity of the SPA. These small locally determined zones will be set out in local development frameworks and SPA avoidance strategies and agreed with Natural England.

- iii. where development is proposed outside the exclusion zone but within the zone of influence, mitigation measures will be delivered prior to occupation and in perpetuity. Measures will be based on a combination of access management, and the provision of Suitable Accessible Natural Green Space (SANG)

- iv. Where mitigation takes the form of provision of SANG, the following standards and arrangements will apply:

- v. a minimum of 8 hectares of SANG land (after discounting to account for current access and capacity) should be provided per 1,000 new occupants
• vi. developments of fewer than 10 dwellings should not be required to be within a specified distance of SANG land provided it is ensured that a sufficient quantity of SANG land is in place to cater for the consequent increase in residents prior to occupation of the dwellings

• vii access management measures will be provided strategically to ensure that adverse impacts on the SPA are avoided and that SANG functions effectively

• viii authorities should co-operate and work jointly to implement mitigation measures. These may include, inter alia, assistance to those authorities with insufficient SANG land within their own boundaries, co-operation on access management and joint development plan documents

• ix relevant parties will co-operate with Natural England and landowners and stakeholders in monitoring the effectiveness of avoidance and mitigation measures and monitoring visitor pressure on the SPA and review/amend the approach set out in this policy, as necessary

• x local authorities will collect developer contributions towards mitigation measures, including joint contributions to the funding of access management and monitoring the effects of mitigation measures across the SPA

• xi: Large developments may be expected to provide bespoke mitigation that provides a combination of benefits including SANG, biodiversity enhancement, green infrastructure and, potentially, new recreational facilities

15.3.20 Where further evidence demonstrates that the integrity of the SPA can be protected using different linear thresholds or with alternative mitigation measures (including standards of SANG provision different to those set out in this policy) these must be agreed with Natural England.

15.3.21 The mechanism for this policy is set out in the TBH Delivery Framework by the TBH Joint Strategic Partnership and partners and stakeholders.”

15.3.22 Although this is a comprehensive rewording of NRM6 the measures that are introduced are essentially those which have already been promoted and agreed through the Thames Basin Heaths Delivery Plan mechanism. As such, the impact of this policy upon the Thames Basin Heaths SPA will be positive. Moreover, when taken in conjunction with the ‘feedback loop’ mechanism described in the reworded NRM5, and the ability for the regional allocation to therefore be revised if lower tier HRA finds that allocations are not deliverable without an adverse effect, these two policies provide considerable security that adverse effects will not be allowed to result on the Thames Basin Heaths SPA.
15.4 Summary of the changes made to create the final RSS

15.4.1 In all therefore, the principal relevant final changes to the RSS which would affect European protected sites (and thus the HRA/AA) are the extensive re-drafting of NRM5 and NRM6 both of which provide further protection and safeguards. While the housing levels within four districts (Brighton & Hove, Milton Keynes, Reigate & Banstead and Winchester) have been reduced these changes either affect districts that have no link to European sites (e.g. Milton Keynes) or the scale of the change is so small as to make relatively little difference to the scale of those impacts or effects (e.g. a reduction of 500 homes (4%) in Winchester District), identified during the HRA of the draft RSS and Proposed Changes. That said, a reduction (however small) in the quantum of housing within the region will mean some reduction in water resource pressures on European sites. No new projects and plans have been identified for consideration ‘in combination’ with the RSS since the draft Proposed Changes.

15.4.2 The type and scale of the sources of potential adverse impacts (via pathways of urbanisation, recreational pressure, water resource issues, water quality issues, air quality issues etc) on European sites within the South East as identified under the HRA of the draft RSS and Proposed Changes are therefore largely unchanged being associated with the delivery of 654,000 homes, associated employment/commercial development and infrastructure delivered under the housing, employment, transport, energy, waste and minerals policies of the RSS. However, the policies that control development have been subject to considerable alteration in order to exert further control.

15.4.3 Although housing levels have not been significantly reduced in key areas of concern to European sites (e.g. the South Hampshire sub-region, the Bordon-Whitehill settlement, or the area surrounding the Thames Basin Heaths SPA) the enshrinement of a ‘feedback loop’ explicitly within regional policy NRM5 and implicitly within policy AOSR3 (specific to Bordon-Whitehill) and paragraphs 16.24 and 16.33 of the South Hampshire sub-region chapter will enable detailed lower tier studies to lead to a revision of the higher tier allocations where necessary. This feedback loop is an important acknowledgement of the fact that many issues cannot be explored in detail at the regional scale, since site allocations and layouts are decided at the local scale, and therefore seeks to provide additional certainty that adverse effects on European sites will not be allowed to occur.

15.4.4 The alterations that have been made to the draft Proposed Changes in order to create the final RSS do not generate any requirement for further HRA/AA mitigation or avoidance measures beyond those recommended at previous stages, since they do not

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175 It is not possible to be exact as to which European sites would be involved since that will depend heavily upon the water resource strategy adopted by the relevant water company (being associated less with the physical location of development and more with where and how the water company abstracts raw water and whether catchment or Water Resource Zone transfers are involved) and the abstraction licencing restrictions imposed by the Environment Agency
result in any further increase in the quantum, type or location of development within the region. The following section will therefore focus on the extent to which our previous recommendations have been taken into account in refining the RSS and, where they have not been taken into account, whether that is significant.

15.5 How have the HRA recommendations been taken into account?

15.5.1 Since this is the final iteration of the RSS until the first formal RSS review, it is essential to audit the process by which recommendations stemming from the various stages of Appropriate Assessment have been taken into account in order to determine:

- Whether there remain outstanding recommendations that have not been adopted;
- If so, whether the amendments made to the final RSS provide an alternative solution to the issues which generated those recommendations, such that the recommendations are now redundant; and
- Whether the changes to the final RSS generate the need for any new recommendations (by rendering the previous recommendations inadequate).

15.5.2 Table 32 lists each of the recommendations that were made in the various iterations of HRA/AA, the change made by the Secretary of State (or her reasons for not adopting our recommendation) and our response within the light of the changes made for the final RSS.

15.5.3 It is important to note that this table only contains those recommendations for changes to the policies or text of the RSS. During the HRA/AA of the draft RSS it was made clear that the RSS only had a limited remit to introduce avoidance or mitigation measures (or mechanisms that would facilitate and provide a framework for avoidance/mitigation) – namely those involving planning policy. It was also identified that measures outside of planning policy would also need parallel delivery by other bodies other than the Secretary of State in order to ensure that during implementation of the development identified within the RSS adverse effects on European sites would not result. Leading on from this, the HRA/AA of the draft Proposed Changes identified a number of additional mechanisms and measures that would require implementation but were outside the remit of the Secretary of State or RSS. These were and remain contained within Appendix 3 of this document. In her comments on the HRA/AA of the draft Proposed Changes the Secretary of State commented that she would as far as possible encourage the implementation and adoption of the measures within that Appendix. It is our understanding that this commitment remains.
### Table 32: Avoidance and mitigation measures

<table>
<thead>
<tr>
<th>Draft South East Plan HRA/AA recommendation</th>
<th>Was this recommendation incorporated into the draft RSS?</th>
<th>Additional or replacement recommendations stemming from the Draft Proposed Changes HRA/AA</th>
<th>What change was made to the draft Proposed Changes?</th>
<th>In the light of the final RSS text, does this recommendation still need adoption?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevent any landtake from European sites, particularly the intertidal zone and estuaries.</td>
<td>No reference</td>
<td>-</td>
<td>-</td>
<td>No</td>
</tr>
<tr>
<td>Promote enhanced management of European sites.</td>
<td>No reference</td>
<td>-</td>
<td>Inclusion of the phrase 'work to secure improved habitat management' into NRM5 with regard to European sites, in line with Panel Report recommendations</td>
<td>No, since our recommendation has been adopted in the following text from the revised NRM5: 'Influence and apply agri-environment schemes, forestry, flood defence,</td>
</tr>
</tbody>
</table>

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176 Excluding increased recreational pressure since this is not exclusively an urban problem and was a sufficiently large issue to merit consideration by itself.
### Draft South East Plan HRA/AA recommendation

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Include a new policy on green infrastructure – large and small green areas, connecting other green areas as appropriate.</td>
<td>No reference</td>
<td>-</td>
<td>Inclusion of Policy CC8 on Green Infrastructure</td>
<td>No, since our recommendation has been adopted</td>
</tr>
<tr>
<td>For the sites listed in Table 11 of the HRA of the draft RSS whose integrity is likely to be affected by ‘in combination’ urbanisation impacts, provide a buffer zones where no development is permitted, where appropriate, or other similar measures.</td>
<td>No reference</td>
<td>Extend the promotion of site management and the ability to create ‘exclusion zones’ defined in NRM6 to European sites other than the Thames Basin Heaths, particularly those identified in the 2006 HRA / AA as being susceptible to urbanisation.</td>
<td>Policy NRM5 already sets out policy on protection of other sites, and this already includes policy on possible use of mitigation measures, including buffer zones and alternative recreation land, if appropriate. The draft therefore in effect already incorporates the recommendation.</td>
<td>No</td>
</tr>
</tbody>
</table>

Although our recommendation to extend the final version of NRM5 removes any reference to specific mechanisms for avoiding/mitigation adverse effects such as use of buffer zones, these references are retained in Policy C6.

Restoration of mineral extraction sites and other land management practices to deliver biodiversity targets, increase the wildlife value of land, reduce diffuse pollution and protect soil resources.

April 2009
<table>
<thead>
<tr>
<th>Draft South East Plan HRA/AA recommendation</th>
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</table>
| To highlight the need to protect the integrity of these sites it is proposed to add the following supporting text to Policy NRM5:  
*During the preparation of this RSS Habitats Regulation Assessment identified the following sites of international importance for nature conservation where it was not possible to conclude that there would be no adverse effect on site integrity due to urbanisation and ‘in combination’ effects. These are:*  
Burnham Beeches SAC  
North Downs Woodlands SAC  
Thursley Hankley and Frensham Commons SPA  
Wealden Heaths SAC  
Mole Gap to Reigate | Moreover, since a discrete RSS policy for each European site is inappropriate (and impractical given that individual site allocations are necessary to devise fully detailed avoidance and mitigation strategies and these are unavailable at RSS-level) it has been decided that an appropriate way to deal with this would be for the RSS to commit to the production of subsequent guidance which would provide more detail on avoidance and mitigation measures regarding particular European sites or suites of sites and for a ‘feedback loop’ to be included in policy whereby regional housing allocations could be revised if local authority HRA revealed
### Draft South East Plan HRA/AA recommendation

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<tbody>
<tr>
<td>Escarpment SAC</td>
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<td>that (when considered within the light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.</td>
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<tr>
<td>Thursley, Ash, Purbright and Chobham SAC</td>
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<td>This seems to be a reasonable alternative approach when coupled with the specific measures identified in other policies.</td>
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<td>Thursley and Ockley Bogs Ramsar site.</td>
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<tr>
<td>Local Authorities and partners will need to</td>
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<td>therefore ensure that any development proposals affecting these sites are able to demonstrate that in combination they will have no adverse effect on the integrity of these sites. This may include implementation of this policy, including the possible deployment of mitigation measures identified in criterion (viii).</td>
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<td>In the light of the final RSS text, does this recommendation still need adoption?</td>
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### Recommendations for avoiding/mitigating effects of increased recreational pressure

<table>
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<tr>
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<th>Draft South East Plan HRA/AA recommendation</th>
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</thead>
<tbody>
<tr>
<td>Restrict development abutting those sites identified within the HRA as being already subject to recreational pressure that affects site integrity by provision of a buffer</td>
<td>No reference</td>
<td>-</td>
<td>Inclusion of the phrase ‘set buffer zones around sensitive sites’ into NRM5 with regard to European sites, in line with Panel Report</td>
<td>No</td>
<td>Although the reference to buffer zones has been deleted from the final version of NRM5, these...</td>
</tr>
<tr>
<td>Draft South East Plan HRA/AA recommendation</td>
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<tr>
<td>zone of no development</td>
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<td>recommendations</td>
<td>references are retained in Policy C6, which states that:</td>
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<td></td>
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<td></td>
<td>‘On Natura 2000 and Ramsar wetland sites with an identified risk of adverse impact from recreational use or other urbanisation impact (including air pollution), [local authorities] should promote appropriate access [management] and other management measures (both pedestrian and vehicle), to avoid such risks’.</td>
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<tr>
<td>Encourage the establishment of large new parks and other green areas in the region, possibly acting as ‘stepping stones’/grid to other open spaces, possibly as part of a ‘green infrastructure’ policy. Such parks would also help to support other</td>
<td>No reference</td>
<td>-</td>
<td>Inclusion of Policy CC8 on Green Infrastructure</td>
<td>No, since our recommendation has been adopted</td>
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</tbody>
</table>
### Draft South East Plan HRA/AA recommendation

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<td>RSS objectives, e.g. robustness to climate change</td>
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<td></td>
<td>No</td>
</tr>
<tr>
<td>Generally strengthen the RSS approach to recreational provision, perhaps through the inclusion of a region-wide policy to address recreational impacts</td>
<td>No reference</td>
<td>-</td>
<td>No</td>
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</tbody>
</table>

There is no specific policy on recreational impacts but clear reference is made to this issue within the RSS, particularly Policy C6, which states that:

‘On Natura 2000 and Ramsar wetland sites with an identified risk of adverse impact from recreational use or other urbanisation impact (including air pollution), [local authorities] should promote appropriate access [management] and other management measures (both pedestrian and vehicle), to avoid such risks’.
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<tr>
<td>-</td>
<td>-</td>
<td>It should be made explicit that development under Policy LF4A will need to be in compliance with Policy NRM6, as the wording of this policy regarding the Thames Basin Heaths is less specific (with its reference to ‘testing through LDDs’) than that in NRM6</td>
<td>Not accepted. Residential development at Chertsey will be subject to the requirements of Policy NRM6 in any event, which now sets out a more precise approach to mitigation, hence this is considered unnecessary.</td>
<td>No We accept the clarification that development under LF4A will still be subject to the restrictions imposed by NRM6.</td>
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<td>-</td>
<td>-</td>
<td>The levels of housing within the Thames Basin Heaths authorities should be phased such that the original SEERA 2006 South East Plan rate of development is delivered in the first instance with an increased rate to be delivered only after a five year gap in order to allow the results of monitoring the effectiveness of SANGS as mitigation to be evaluated before higher levels of housing are delivered</td>
<td>Phasing of housing delivery is not an issue that the RSS, as a whole, has addressed because this would be addressed by local authorities through the LDF system. The Panel concluded at paragraphs 7.81 – 7.89 of their report that they are confident from the evidence presented to them that the levels of development they propose can be delivered</td>
<td>No Policy NRM6 has been extensively re-written to more explicitly enshrine the requirements of the Thames Basin Heaths Delivery Plan. Policy NRM5 (to which development within the Thames Basin Heaths catchment will also be subject) enshrines a ‘feedback loop’ whereby regional housing</td>
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<tr>
<td>Consider whether other forms of new or enhanced recreational space are needed in line</td>
<td>No reference</td>
<td>Policy NRM6 should not specifically apply just to the Thames Basin Heaths, but rather apply</td>
<td>in a way that protects the integrity of the SPA, and we see no reason to depart from this view.</td>
<td>In addition the wording of Policy H1 concerning phasing of the DERA site at Chertsey to take place after 2016 will enable it to benefit from monitoring of impacts on the Thames Basin Heaths and allow for revision if the Delivery Plan approach is not found to be working satisfactorily. Although our</td>
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In addition the wording of Policy H1 concerning phasing of the DERA site at Chertsey to take place after 2016 will enable it to benefit from monitoring of impacts on the Thames Basin Heaths and allow for revision if the Delivery Plan approach is not found to be working satisfactorily.
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<td>with the normal planning consideration of open-space provision as directed by PPG17. As with all necessary infrastructure, such 'green infrastructure' should be in place prior to development for which it is designed to mitigate predicted effects</td>
<td>to all European sites in that it would direct Local Authorities to seek the provision of ANG Standard greenspace as necessary in order to mitigate adverse effects on European sites.</td>
<td>policy on possible use of mitigation measures, including buffer zones and alternative recreation land, if appropriate. In addition, Policy C6 (Countryside Access &amp; Rights of Way Management) now states that: ‘On Natura 2000 and Ramsar wetland sites with an identified risk of adverse impact from recreational use or other urbanisation impact (including air pollution), [local authorities] should promote appropriate access [management] and other management measures (both pedestrian and vehicle), to avoid such risks’. The draft Proposed Changes therefore in</td>
<td>recommendation to extend the remit of Policy NRM6 was not adopted and the final version of NRM5 removes any reference to specific mechanisms for avoiding/mitigation adverse effects such as use of buffer zones, these references are retained in Policy C6. Moreover, since a discrete RSS policy for each European site is inappropriate (and impractical given that individual site allocations are necessary to devise fully detailed avoidance and mitigation strategies and these are unavailable at RSS-level) it has been decided that an appropriate way to deal with this would be for the RSS to commit to the production of</td>
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<td>effect already incorporates the recommendation.</td>
<td>subsequent guidance which would provide more detail on avoidance and mitigation measures regarding particular European sites or suites of sites and for a ‘feedback loop’ to be included in policy whereby regional housing allocations could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.</td>
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This seems to be a reasonable alternative approach when coupled with the specific measures identified in
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<td>Promote multi-local authority working to assess whether recreational pressures are likely to have a significant impact on the integrity of those European sites listed in the HRA; where this is likely to be a problem, agree and implement a S106 funding regime for improved habitat management where appropriate; and where this is unlikely to preserve site integrity, assess and implement the provision of alternative recreational space where appropriate. Any such alternative recreational space must be provided in advance of development that could affect the integrity of the European site, and in locations that would be</td>
<td>No reference</td>
<td>Policy NRM6 states that local authorities should work with Natural England and other stakeholders to: “implement access management measures and work to secure improved habitat management”. This does provide direction to local authorities to enable them to work together towards access management, but it could be strengthened by being broadened to deal with all European sites and made more explicit in order to ensure that this is taken forward by Local Authorities within LDF development such that clear policies regarding access management and possible funding through s106 agreements are incorporated into the</td>
<td>NRM5 is considered to address this issue with sufficient clarity</td>
<td>No</td>
</tr>
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</table>

Although the actual policy text of NRM5 no longer specifically refers to inter-authority working the supporting text does make it clear that clear future guidance on inter-authority working in key areas will be forthcoming. This is a satisfactory replacement.
## Draft South East Plan HRA/AA recommendation

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<td>attractive to users.</td>
<td>Core Strategies of relevant authorities</td>
<td></td>
<td>No, since our recommendation has been adopted</td>
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</table>

### Recommendations for avoiding/mitigating the effects of deteriorating water quality

Local authorities must ensure that detailed proposals and site allocations in their LDFs take account of the limits of existing sewage treatment works.

This was coupled with detailed references to the need for full HRA at the project level and a request for a joined-up approach to tackle the ‘in combination’ impacts of diffuse pollution similar to policy ENV6 in the draft East of England RSS Core Document.

No reference

We would also strongly advise that the delivery of STW infrastructure and technologies at least in parallel with (and ideally prior to) the delivery of the new development that would require it is fundamental in ensuring that the proposed housing in Hampshire, the Isle of Wight and Chichester can be delivered without a significant adverse effect on the Solent European Marine Site or its constituent SPA/SACs or other south coast European sites such as Dungeness SAC/Dungeness to Pett Level SPA.

The Secretary of State agrees that the timely delivery of essential infrastructure is crucial to support new development, and that the sustainability performance of the RSS will be dependent on infrastructure being in place to support new development, and on action being taken to reduce infrastructure deficit where necessary. In particular we recognise that there will be circumstances where new development will need to be supported by specific infrastructure so that particular standards can be maintained or improved – for example European water quality.
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<td>standards, which will require long term investment. Policy CC7 is included to support this approach.</td>
<td>Policy NRM2 has been amended. This policy has already been amended to take into account the Panel’s recommendation, to ensure wastewater infrastructure is planned to meet demand and so that the rate and location of development does not lead to a deterioration in water quality. Further amendments to the policy are made to highlight that where new development risks affecting water quality new infrastructure to prevent this will need to be delivered before development goes ahead.</td>
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<td>Stipulate that, wherever the housing is located, none of it is to be treated at Chickenhall, or discharged to the Itchen. For example, there are numerous alternative STWs within the Test Valley to which housing in that district could be directed, which would discharge to the River Test rather than the River Itchen.</td>
<td>Following text added to the Test Valley section of Chapter 25 (Areas Outside Sub-Regions): ‘Any waste water constraints that may impede identified levels of development in the parts of Test Valley that lie within the ‘Areas Outside Sub-Regions’ area should be identified, with partnership action working to remove constraints or identify their implications for housing delivery. Wherever new housing is located in Test Valley none of the wastewater discharge it generates should be treated at Chickenhall Treatment works or discharged into the River Itchen. In general wastewater</td>
<td>No, since our recommendation was partially adopted and further clarification on the issue of wastewater discharge into the River Itchen from Chickenhall STW has since been received from the Environment Agency. This clarification has identified that although any future expansion of the Chickenhall STW will not be permitted in order to avoid adverse effects on the River Itchen SAC, there is sufficient current capacity at Chickenhall STW to accommodate the planned growth to 2026. As such, they have advised that a prohibition on additional wastewater discharges into the River Itchen to protect the SAC is not in fact required.</td>
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<td>An alternative would be for the Secretary of State to encourage the Water Companies to plan for delivery of infrastructure to discharge treated effluent to areas outside the Solent.</td>
<td>Policy SH8 now contains the following: ‘Local Authorities will work with the Environment Agency and Water Companies to ensure that discharges from wastewater treatment into marine waters are in accordance with Habitats Directive constraints.’</td>
<td>No, since our recommendation was effectively adopted Para 16.33 also includes “further consideration of the most environmentally sustainable options for waste water disposal under current environmental legislation” into the bullet list of actions for the South Hampshire authorities to deliver in collaboration.</td>
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**Recommendations for avoiding/mitigating the effects of deteriorating water resources**
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|--------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------|------------------------------------------------|------------------------------------------------------------------|
| Our main avoidance/mitigation measures for the HRA of the draft 2006 Core Document dealt with contingency, stating that as far as possible, this future water resource infrastructure should be operational prior to planning permission being granted for any development within the South East region for which necessary additional abstraction would otherwise adversely affect sensitive European sites. | Policy CC5 (Infrastructure & Implementation) stated that ‘Development shall not proceed until the relevant planning authorities are satisfied that the necessary infrastructure required to serve the development is available or will be provided in time’ | - | Policy CC7 (Infrastructure & Implementation) rewords this to state that ‘The scale and pace of development will depend on sufficient capacity being available in existing infrastructure to meet the needs of new development. Where this cannot be demonstrated the scale and pace of development will be dependent on additional capacity being released … Where new development creates a need for additional infrastructure a programme of delivery should be agreed before development begins … The phasing of development will be closely related to the provision of infrastructure.’ | No |

Policy NRM1 (Water Resources) has been revised to include a reference to “Maintaining an adequate supply and encouraging water efficiency whilst meeting Habitats, Birds and Water Framework Directives”

In addition, Policy SH8 covering South Hampshire now inserts reference to ‘water supply’ and ‘water abstraction’ to supplement the existing reference to wastewater treatment.

Furthermore, there are now several references to the need for the timely provision of water supply infrastructure, or water
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| If routine or targeted monitoring of European sites shows that water levels are being negatively affected, then the phasing, distribution, and if necessary amount of further development | No reference | - | - | No |

- NRM5 does enshrine the concept of a ‘feedback loop’ to be included in policy whereby regional housing allocations could be revised if local cycle studies to inform housing:
  - GAT3 – local planning authorities must have regard to water cycle strategies etc. when locating housing
  - AOSR3 – Water cycle study to be carried out for Whitehill/Borden development of 5500 homes. If [additional] constraints are identified, a different scale of development may be needed
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<td>may need to be revised.</td>
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<td>authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.</td>
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<td>For those new developments that will be occupied prior to these new water resources becoming operational and where it cannot be demonstrated that the development will not affect the integrity of a European site, measures should be put in place that will render them effectively ‘water neutral’</td>
<td>No reference</td>
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<td>NRM5 does enshrine the concept of a ‘feedback loop’ to be included in policy whereby regional housing allocations could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.</td>
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<td>Housing allocations in the following districts should be reconsidered due to water resource constraints: Canterbury, Crawley/Gatwick, Havant, Isle of Wight, Maidstone, Medway, Mid Sussex, Milton Keynes, Portsmouth, Reigate and Bansted, Test Valley. Particularly acute problems are likely at Medway and south Hampshire.</td>
<td>Partially accepted. Housing figures have not been revised at this stage, but supporting text has been added to Policy NRM1 identifying that further water supply constraints work will be particularly required in relation to development within the 11 districts listed. Supporting text to be added to Policy NRM1A: ‘Water supply constraints work has identified potential constraints in some areas, pending more detailed feedback from the Environment Agency. Should this feedback confirm such constraints significant new development in the...</td>
<td>No Although our recommendation was partially adopted (housing allocations in the identified districts have not been revised) policy NRM5 does now contain a mechanism whereby regional housing allocations could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites. This would allow housing to be revised if lower tier assessments (making use of the more...</td>
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<td>following districts should be directed to areas where water supply can be guaranteed. Alternatively development should be phased so that supporting infrastructure (such as that required to avoid an adverse effect on Special Areas of Conservation, Special Protection Areas and Ramsar sites) can be put in place before development commences. The districts currently identified are: Canterbury, Crawley/Gatwick Havant Isle of Wight Maidstone Medway Mid - Sussex Milton Keynes</td>
<td>detailed information available at that level, including Water Cycle Studies) determine that it cannot be delivered without adverse effects. This would therefore still enable adverse effects on European sites as a result of damaging reductions in water resources to be avoided. There are several references within the final RSS to the need to undertake Water Cycle Studies which can explore water resource issues at a fine scale in conjunction with proposed allocations: EKA2 - Ashford growth needs to be accompanied by strategic planning of sewerage infrastructure and wastewater treatment</td>
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### Draft South East Plan HRA/AA recommendation

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<td>Portsmouth Reigate and Banstead Test Valley.'</td>
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**Footnote to LF3 – ‘The Hogsmill River is currently failing to meet good ecological status as a result of phosphorous concentrations. This may have implications for housing delivery in the catchment area of the Hogsmill Sewage Treatment Works in Epsom & Ewell and Elmbridge. The satisfactory resolution of this problem will require further work, which will need to be reflected in LDFs and future reviews of the RSS’.**

**WCBV3 – Housing within catchment of Blackwater WWTW and other constrained wastewater treatment infrastructure ‘will need to be informed by a water cycle study… The results of these studies will need to be**
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<td>The Proposed Changes should require high levels of water efficiency (CSH level 6), at least from 2016, if not earlier, in areas where it cannot be demonstrated that the development will not affect the integrity of a European site. This would be particularly important in those areas.</td>
<td>Not accepted. This is a matter for national regulation through the Building Regulations and application of the Code for Sustainable Homes, not the RSS. It is not appropriate for the RSS to effectively create its own regional Building Regulations independent.</td>
<td>reflected in LDFs and future reviews of the RSS'. GAT3 – local planning authorities must have regard to water cycle strategies etc. when locating housing. AOSR3 – Water cycle study to be carried out for Whitehill/Borden development of 5500 homes. If [additional] constraints are identified, a different scale of development may be needed.</td>
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Policy CC4 (Sustainable Design & Construction) directs local authorities to ensure that they should aim to deliver the highest standards of water efficiency and, while it stops short of setting regional standards following direction from...
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<td>situations where housing was to be delivered prior to new infrastructure being fully established.</td>
<td>of the national standards. However, changes have been made to Policy CC4, such that it encourages new development to seek the highest possible sustainability rating in the Code for Sustainable Homes, subject to economic viability. The following amendments to Policy CC4: “The design and construction of all new development buildings, and the redevelopment and refurbishment of existing building stock, will be expected to adopt and incorporate sustainable construction standards and techniques. This will include:</td>
<td>Communities &amp; Local Government, does provide a policy framework for local authorities to exceed national minimum standards, where justified. Policy NRM1 (Sustainable Water Resources and Groundwater Quality) goes further and specifically requires local authorities, through their Local Development Documents, to ‘identify any circumstances under which new development will need to be supported by water efficiency standards exceeding extant Building Regulations standards’.</td>
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<td>i. Consideration of how all aspects of development form can contribute to securing high standards of energy and water efficiency Where local planning authorities anticipate opportunities for levels of building sustainability in advance of those set out nationally, (for example in development area or site-specific opportunities) they must be able to clearly demonstrate the local circumstances that warrant and allow this and set requirements out in Development Plan Documents”</td>
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**Recommendations for avoiding/mitigating the effects of increased coastal squeeze**

- Prevent any land take from European sites, particularly the intertidal zone and estuaries.
  - No reference
  - No
  - Decision was made during HRA of draft Proposed Changes
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<td>For the sites listed in the HRA of the draft RSS whose integrity is likely to be affected by ‘in combination’ impacts, provide a buffer zones where no development is permitted, where appropriate, or other similar measures.</td>
<td>No reference</td>
<td>- The Secretary of State should discourage Local Authorities from relying on the Exception Test as an argument to permit the above policy to be bypassed (as that would defeat the object in many of the places where coastal squeeze is the greatest problem i.e. urban locations).</td>
<td>The following amendment to point iv of Policy NRM8 (Coastal Management): “Avoid built development on the undeveloped coastline unless it specifically requires a rural coastal location, meets the sequential test set out in Planning Policy Statement 25 (Development and Flood Risk) and does not adversely affect environmental, cultural and recreational resources. In particular,</td>
<td>sufficient protection was provided in law concerning direct physical landtake from European sites such that specific regional policy was not required beyond giving internationally designated sites the highest level of protection</td>
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<td><em>development must not compromise the ability to preserve the interest features of Natura 2000 sites through managed retreat of coastal habitats in response to sea level rise.</em></td>
<td>No</td>
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<td>It is advised that the Secretary of State considers revising the allocations for Fareham, Gosport, Havant, Portsmouth and Southampton downwards in discussion with these authorities.</td>
<td>We would welcome any views and evidence on this recommendation from consultees at Proposed Changes stage</td>
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<td>No Our recommendation was not adopted. Housing allocations in the identified districts have not been revised.</td>
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<td>However, Para 16.24 with regard to the South Hampshire Sub-Region does state that detailed decisions on phasing and distribution will need to be undertaken <em>in order to find the most environmentally sustainable options under existing environmental legislation</em></td>
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<td><em>e.g. Habitat Regulations, Water Framework Regulations, etc.</em>.</td>
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Importantly, policy NRM5 now contains a mechanism whereby regional housing allocations could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.

### Recommendations for avoiding/mitigating the effects of deteriorating air quality

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<tr>
<th>Direct development to areas where the risk to European sites can be minimised</th>
<th>No reference</th>
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<th>It is agreed that Policy NRM9 will be widened to refer to particular areas of importance for nature conservation. A new section to policy NRM9 (Air Quality) has No</th>
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<td>Although Policy NRM9 does not include a specific reference to directing development to</td>
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<td>“Consider the potential impacts of new development and increased traffic levels on internationally designated nature conservation sites, and adopt mitigation measures to address these impacts.”</td>
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<td>The policy has also been rephrased so that the initial sentence now reads:</td>
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<td>“Strategies, plans and programmes and planning proposals should contribute to sustaining the current downward trend in air pollution in the region. This will include a seeking of improvements in air quality…”</td>
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<td>Draft South East Plan HRA/AA recommendation</td>
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<tr>
<td>Strengthen the policies in Sections D5 and D4 to improve linkages with transport emissions, influencing investment in transport infrastructure, management of public</td>
<td>No reference</td>
<td>-</td>
<td>Not accepted. Policy H1 sets out the need to take infrastructure constraints into account, and the</td>
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available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.

The HRA/AA of the draft RSS also noted that to encourage a consistent region-wide approach, local-level AAs could work to a series of rules and assumptions regarding air quality assessments. The sub-regional guidance documents referred to in the revised NRM5 make it possible for these guidelines to be formally associated with the RSS.

We accept this clarification
<table>
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<tr>
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<td>transport and demand management</td>
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<td>strengthened Policy CC7 makes clear that the scale and pace of development should be aligned to the deployment of infrastructure. A reference to demand management is at end of the first paragraph of CC7 and included in the supporting text. Further changes are not considered necessary.</td>
<td>We accept that there are difficulties over the practical implantation of this recommendation. Moreover, Policy NRM5 does now contain a mechanism whereby regional housing allocations could be revised if local authority HRA revealed that (when considered within the</td>
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<td>Require all local authorities to balance out the air pollution emissions of any new development with corresponding reductions in air pollution elsewhere, to be “pollution neutral” such that there is no net increase. For instance, new development that is expected to generate amount x of air pollution could help to support a</td>
<td>No reference</td>
<td>-</td>
<td>Not accepted. As currently drafted, Policy NRM9 already sets out a clear steer that improvements in air quality should be sought. It also says that LDDs and development control can help to achieve improvements in local air quality through, amongst other things “reducing the</td>
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<td>reduction of x elsewhere in the authority, for instance through support of car-free developments, parking schemes or public transport. The balancing measures would need to be justified, and be in place before the new development becomes operational. Such offsetting would only be acceptable where local air quality effects on European sites are not involved. Insert the following policy in line with other RSS, such as the East Midlands. “Ensuring that development is only permitted where it is clearly demonstrated by the developer, to the satisfaction of the Local Planning Authority, that the development will not</td>
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<td>environmental impacts of transport through congestion management, and support the use of cleaner transport fuels”. Moreover, we would question how this recommendation would work in practice – in particular how would local authorities implement this policy? This recommendation was also made for the draft North East Plan (which in turn took it from the 2006 draft South East Plan HRA). In the North East subsequent changes were made to require that strategies, plans and programmes and planning proposals should contribute to sustaining the current downward trend in air pollution in the region. A light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.</td>
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<td>result in any significant increase in NOx emissions, or where development would result in such an increase, it includes measures to secure an equivalent improvement in air quality or reduction in emissions from other sources.”</td>
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<td>similar change has been made to policy wording in Policy NRM9.</td>
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<td>Restrict or exclude less clean vehicles from certain road areas</td>
<td>No reference</td>
<td>Not accepted. It is unclear as to how this would be implemented. If the implication is that the South East sets up Low Emissions Zones as have just begun operating in London this would require a significant amount of agreement, co-ordination and investment and is therefore not considered suitable for inclusion within the Proposed Changes stage of an</td>
<td>We accept that this is impractical.</td>
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<td>Protecting Areas Outside European Site Boundaries</td>
<td>No reference</td>
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<td>In accordance with the recommendations of the Panel Report, the following text was incorporated into Policy NRMS: ‘... Seeking to ensure that damage to county wildlife sites and locally important wildlife and geological sites is avoided, including areas outside the boundaries of Natura 2000 sites where these support the species for which that site has been designated’</td>
<td>No, since our recommendation was adopted and this text has been retained in the reworded NRMS</td>
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South East plan should incorporate a policy that protects essential supporting habitat outside the boundaries of the following European sites:

- Chichester & Langstone Harbour SPA; Portsmouth Harbour SPA; Solent & Southampton Water SPA - LPAs must ensure that development within Havant, Chichester, Portsmouth and Southampton does not lead to a net loss of short grassland habitat within an agreed distance of the SPA boundary.

- The Swale SPA - LPAs must ensure
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<td>that the Queenborough - Rushenden development does not lead to a net loss of grazing marsh habitat.</td>
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<td>• Thames Estuary &amp; Marshes SPA, Medway Estuary &amp; Marshes SPA - LPAs must ensure that development around these sites does not lead to a net loss of short grassland habitat within an agreed distance of the SPA boundary.</td>
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<td>• River Itchen SAC - LPAs must ensure that development does not lead to impacts on migratory salmon in the River Itchen.</td>
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<td>• Mole Gap to Reigate Escarpment SAC - Development must</td>
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<td>not result in severance of tree and hedgelines used as flightlines by bats within 6 km of the site boundary.</td>
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<td>• Thames Basin Heaths SPA - Development must not result in the loss of habitat used by the three qualifying bird species. Any alternative open space provision devised as part of mitigation measures should not result in adverse effects on habitat outside the SPA which is currently used by the birds.</td>
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<td>• Thursley, Hankley &amp; Frensham Commons SPA, Wealden Heaths Phase 2 SPA - Development should not lead to a</td>
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<td>loss of habitat used by the three qualifying bird species. Any alternative open space provision devised as part of mitigation measures should not result in adverse effects on habitat outside the SPA which is currently used by the birds.</td>
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<td>-</td>
<td>No. Part of our recommendation was adopted at the draft RSS stage. The remainder of our recommendation related to a need to undertake further assessment of the impacts of additional minerals extraction at Oxford regarding the water resources within Oxford Meadows SAC.</td>
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**Mineral Extraction**

- A policy should be drafted that either prohibits physical expansion of the quarries in Dorset Heaths SAC and Thames Basin Heaths SPA, in addition to marine aggregate extraction that could affect the integrity of the Solent & Southampton

Paragraph 10.66 of the Waste & Minerals chapter states that: *Only exceptional circumstances would permit extraction or processing in ... internationally or nationally designated areas of nature conservation importance*. - -
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<tr>
<td>Water SPA, or highlights the particular sensitivity of these sites and requires local level AA for any proposed mineral extraction near the sites.</td>
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<td>While this particular issue is not specifically mentioned in the RSS, Policy NRM5 does contain a mechanism whereby regional allocations (not restricted to housing and which would therefore apply equally to minerals allocations) could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the scale of development detailed within the RSS could not be delivered without adverse effects upon European sites. This does provide adequate protection to the Oxford Meadows SAC over this issue.</td>
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<tr>
<td>• Further assessment of implications of future extraction on the Oxford Meadows SAC is required. If this assessment concludes that further extraction could lead to significant ‘in combination’ effects on the SAC’s integrity and there are no other viable options for alternative aggregate extraction within Oxfordshire, a review of Oxfordshire primary aggregate allocation</td>
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April 2009
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<td>may be required.</td>
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15.6 Habitats Directive-driven policies or supporting text in the final RSS

15.6.1 A significant proportion of the changes made to the policies or supporting text of the South East Plan over the past three years have been made in response to the recommendations of the HRA/AA process. In order to gain a full understanding of the extent to which the final RSS addresses Habitats Directive issues, it is useful to summarise the relevant changes and measures, below. We have done this first by describing those measures that seek generally to provide a framework for ensuring that adverse effects do not result on European sites as a result of development to be delivered in the region; following that we discuss the specific measures and policy interventions that the final RSS has adopted in order to address specific issues relating to European sites.

Policy framework to enable the avoidance or mitigation of adverse impacts on European sites irrespective of the nature of the impact

15.6.2 As discussed earlier, the difficulty with any mitigation or avoidance measures contained within regional planning policy is that they will unavoidably be somewhat generic. As such, delivery of detailed avoidance and mitigation measures tailored to specific developments in relation to specific European sites can only be achieved within the context of regional planning if it is accepted that HRA can be tiered, with the assessment and its avoidance/mitigation measures acquiring more detail as each tier is reached. Through the amended Policy NRM5 (Conservation & Improvement of Biodiversity) and its supporting text the final RSS sets out a detailed policy framework for lower-tier HRA to be undertaken in the light of the greater detail available at that level and enshrines mechanisms that will:

- provide explicit regional direction through a series of Supplementary Planning Documents or similar that will contain a greater level of detail than can be contained within regional planning policy in order to assist local authorities with undertaking their own HRA (particularly with regard to pan-authority collaboration); and
- through the explicit provision of the feedback loop acknowledges that tiering is essential to complete and thorough HRA and provide a mechanism that enable the conclusions of the more detailed local assessments to feed back to influence regional allocations thus ensuring the greatest confidence possible that development required under the South East Plan will not result in an adverse effect on European sites.

15.6.3 In addition to an explicit policy framework for the undertaking of lower tier HRA/AA and the amendment of regional allocations to reflect the conclusions of such studies the final RSS also addresses the fundamentally important issue of the timing of new infrastructure provision and the existence of sufficient capacity to enable development.
Policy CC7 (Infrastructure & Implementation) of the final RSS makes a clear direction to local authorities that the pace of development must be dictated by the provision of infrastructure\(^{177}\), while Box CC2 makes it clear that this need for development to be phased in relation to infrastructure availability relates not only to water and transport infrastructure but also to ‘green’ infrastructure provision.

15.6.4 In addition to these more general cross-cutting policies and mechanisms, the final RSS also includes a series of specific policy interventions or frameworks that seek to address, as far as possible in regional planning policy, specific issues for European sites that have been identified during the various stages of HRA/AA, as below.

**Policy framework to enable the avoidance or mitigation of urbanisation and recreational pressure of European sites**

15.6.5 Through Policy C6 (Countryside Access & Rights of Way Management) the final RSS identifies that recreation, urbanisation and local air quality issues are matters of concern with regard to the impact of regional development upon European sites and provides a policy framework\(^{178}\) for the delivery of access management and site management by local authorities, while the reference to ‘other management measures’ also allows for the delivery of alternative natural greenspace where that is considered an appropriate technique for recreational management\(^{179}\).

15.6.6 In addition to identifying the issues in policy and providing examples of the avoidance/mitigation responses required from local authorities the RSS also seeks to take a proactive approach to the delivery of additional recreational infrastructure through Policy CC8 (Green Infrastructure) which directs the establishment of large new parks and other green areas in the region\(^{180}\); paragraph 5.22 explicitly identifying that one of the key functions of new green infrastructure is the “protection, preservation and enhancement of biodiversity, including the need to mitigate the potential impacts of new development”. As such, this policy provides a policy framework for the delivery of Accessible Natural Greenspace (ANG), Suitable Alternative Natural Greenspace (SANG) and other types of greenspace to avoid or mitigate for adverse effects of

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\(^{177}\) The scale and pace of development will depend on sufficient capacity being available in existing infrastructure to meet the needs of new development. Where this cannot be demonstrated the scale and pace of development will be dependent on additional capacity being released ... Where new development creates a need for additional infrastructure a programme of delivery should be agreed before development begins ... The phasing of development will be closely related to the provision of infrastructure.'

\(^{178}\) On Natura 2000 and Ramsar wetland sites with an identified risk of adverse impact from recreational use or other urbanisation impact (including air pollution), [local authorities] should promote appropriate access [management] and other management measures (both pedestrian and vehicle), to avoid such risks'.

\(^{179}\) The Appropriate Assessment of the draft South East Plan (Volumes 1 and 2) identifies those European sites that a regional level HRA considered most susceptible to adverse effects of increased recreational pressure, urbanisation, deteriorations in water quality, declining water resources, deteriorating air quality and other impacts. Note that the identification of sites that are most susceptible does not preclude possible adverse effects on other European sites due to these impacts, nor does the existence of a regional HRA/AA preclude the need for lower tier HRA/AA.

\(^{180}\) ‘Local authorities and partners will should work together to plan, provide and manage connected and substantial networks of accessible multi-functional green space ... the successful designation and management of green Infrastructure will be particularly important in areas designated as regional hubs, where growth may impact on sites of international ecological importance’
development upon European sites\textsuperscript{181}. In addition to the general framework discussed earlier, Policy NRM5 identifies the need to ‘work to secure improved habitat management’ and combat diffuse pollution\textsuperscript{182} with regard to European sites. The result is that the final RSS sets out a range of policy interventions that:

- Direct local authorities in undertaking their own local-level HRA/AA’s to specifically consider urbanisation and recreational pressure issues (particularly but not exclusively regarding those European sites which were identified through the regional HRA/AA as being particularly susceptible to these pressures);
- Set out a series of measures that local authorities should draw upon (though not exclusively) in designing their local avoidance and mitigation measures (including use of buffer zones, access and site management and other techniques in addition to the provision of alternative greenspace);
- Commits to the provision of more detailed sub-regional guidance on HRA/AA matters (including inter-authority working) and allows (through the feedback loop set out in NRM5) for regional allocations to be adjusted in response to the conclusions of lower tier HRA/AA’s; and
- Seeks to establish a region-wide framework for the development and delivery of green infrastructure which will be explicitly tailored in part to avoiding and mitigating adverse effects on European sites.

15.6.7 The result is a wide-ranging and comprehensive series of policy interventions which seek to provide considerable regional direction in the mitigation/avoidance of adverse effects on European sites as a result of the specific issues of recreational pressure and urbanisation but without producing policy which is unwieldy (such as having a separate detailed NRM6-type policy for each European site) or which applies specific measures in too generic a manner.

15.6.8 Although Policy AOSR3 (The Whitehill-Bordon Opportunity) does not specifically refer to the need to avoid adverse effects on European sites (particularly the Wealden Heaths SPA which was identified during the HRA/AA of the South East Plan as being particularly vulnerable to unsustainable recreational pressure arising from large-scale development in this location), the development to be delivered under this policy will need to comply with the pan-regional policies set out elsewhere in C6, CC8 and NRM5 and will therefore still need to deliver measures (including alternative areas of recreational greenspace but importantly also potentially including enhanced access management and use of buffer zones) to sufficiently mitigate and adverse recreational/urbanisation effect on the SPA from this settlement. NRM5 sets a general framework under which

\textsuperscript{181} The Appropriate Assessment of the draft South East Plan (Volumes 1 and 2) identify those European sites that a regional level HRA considered most susceptible to adverse effects of increased recreational pressure. Note that the identification of sites that are most susceptible does not preclude possible adverse effects on other European sites due to recreational pressure, nor does the existence of a regional HRA/AA preclude the need for lower tier HRA/AA

\textsuperscript{182} Particularly from agricultural runoff
the housing levels at Bordon-Whitehill can be reduced if it proves impossible to adequately mitigate any adverse effect and this is also made clear in AOSR3 which states that “Should additional constraints … become apparent then a different scale of development should be identified and pursued through the Local Development Framework”.

15.6.9 Further to the above general measures that will apply to all European sites, NRM6 provides a detailed policy regarding the safeguarding of the Thames Basin Heaths SPA and the detailed design and delivery (including greenspace provision standards and distance trigger thresholds) on the ground of the measures set out in the Thames Basin Heaths Delivery Plan.

**Policy framework to enable the avoidance or mitigation of water quality and water resource impacts on European sites**

15.6.10 Through Policy CC4 (Sustainable Design & Construction) the final RSS directs local authorities to ensure that they should aim to deliver the highest standards of water efficiency and, while it stops short of setting regional standards following direction from Communities & Local Government, does provide a policy framework for local authorities to exceed national minimum standards, where justified. Policy NRM1 (Sustainable Water Resources and Groundwater Quality) goes further and specifically requires local authorities, through their Local Development Documents, to “identify any circumstances under which new development will need to be supported by water efficiency standards exceeding extant Building Regulations standards”. The HRA/AA of the South East Plan and advice and consultation responses from the Environment Agency and Natural England have clearly demonstrated that such high levels of water efficiency will be an essential component of the overall water management and supply strategy for the South East.

15.6.11 In addition to this reference to water efficiency, a series of additional policies set out a more explicit approach to avoiding or mitigating for adverse impacts on European sites with regard to the phasing of water supply and treatment infrastructure (including new water resources) and undertaking of detailed Water Cycle Studies:

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183 The design and construction of all new development buildings, and the redevelopment and refurbishment of existing building stock, will be expected to adopt and incorporate sustainable construction standards and techniques. This will include consideration of how all aspects of development form can contribute to securing high standards of … water efficiency.

184 There will be situations where it could be appropriate for local planning authorities to anticipate opportunities for levels of building sustainability in advance of those set out nationally. When proposing any local requirements for sustainable buildings, local authorities must be able to clearly demonstrate the local circumstances that warrant and allow this and set requirements out in Development Plan Documents.

185 The Sustainability Appraisal of the final RSS retains a recommendation that the RSS should include a specific direction to local authorities that requires all development to meet at least CSH Level 3 for water efficiency. However, SA has a broader focus than HRA and has to meet different tests (aiming to make the RSS as generally sustainable as possible), which explains the difference in recommendation. The HRA has not insisted on the retention of this recommendation as the changes to RSS policy do enable, and direct local authorities to identify a need for exceedence of current Building Regulations which would enable achievement of CSH Level 3 or higher. In the light of this, it would only be appropriate for the HRA to stipulate a specific CSH level if there was strong evidence that this specific level would avoid or mitigate all adverse water resource effects on European sites in the region; in our view that evidence does not exist at this stage.
• Policy NRM1 (Sustainable Water Resources and Groundwater Quality) requires local authorities to “direct new development to areas where adequate water supply can be provided from existing and potential water supply infrastructure. Where this is not possible, development should be phased so that sustainable new capacity can be provided ahead of new development” and identifies the need for Water Cycle Studies to be undertaken; among other objectives Water Cycle Studies seek to devise water supply and wastewater treatment solutions for specific development locations within a district in such a way as to avoid an adverse effect upon European sites or other environmentally important features;

• Policy NRM2 (Water Quality) requires wastewater infrastructure to be planned to meet demand so that the rate and location of development does not lead to a deterioration in water quality and that local authorities should “ensure that the environmental water quality standards and objectives as required by European Directives are met”. This would include the requirements of the Habitats and Birds Directives as well as other European Directives. Further amendments to the policy are made to highlight that where new development risks affecting water quality, new infrastructure to prevent this will need to be delivered before development goes ahead.

• Paragraph 9.7 explicitly states that “The Habitats and Birds Directives already place constraints on the capacity of some receiving waters within European sites. Future growth and the Water Framework Directive have further implications for both these and undesignated areas, and further work and monitoring will be required. In addition, further investigations are required into the extent of infiltration into some sewerage networks which, if addressed, could increase the capacity of existing works in high constraint locations such as in/near sites of international importance”.

• Paragraph 9.8 explicitly states that “Development should be phased so that supporting infrastructure (such as that required to avoid an adverse effect on Special Areas of Conservation, Special Protection Areas and Ramsar sites) can be put in place before development commences”.

15.6.12 Moving from a regional to a more local focus there are also several specific references to water resource and water quality measures relating to the South Hampshire sub-region which was identified in the HRA/AA of the RSS as an area of specific concern with regard to water resource and, particularly, water quality issues over European sites:

• Through Policy SH8 (Environmental Sustainability) relating to the South Hampshire sub-region the final RSS instructs the authorities to “ensure that water abstraction and discharges from waste water treatment into marine and fresh waters are in accordance with environmental legislation including European Directives’ and requires the South Hampshire authorities to ‘achieve a decrease of between 8%
and 20% in water use (compared to the national average in 2005) for all new development\footnote{186};

- Para 16.24 with regard to the South Hampshire Sub-Region directs the South Hampshire authorities to adopt collaborative working with regard to phasing and distribution in order to find the most environmentally sustainable options under existing environmental legislation.

- Paragraph 16.33 of the same chapter sets out a requirement for “further waste water studies to be fully integrated with the parallel supply/demand balance studies, which will influence the funding and/or phasing of proposed housing development. This will include ensuring that waste water treatment works that discharge to the River Itchen and ultimately to the Solent European sites incorporate necessary infrastructure improvements to comply with the Environment Agency’s Review of Consents process and maintain sufficiently good water quality that adverse effects on these European sites do not occur. Where this is not possible by implementing BATNEEC (Best Available Technology Not Entailing Excessive Cost), better than BATNEEC (for nitrogen) or alternative infrastructure provision (such as avoiding discharge to the River Itchen) must be considered”. The paragraph also states that the South Hampshire authorities must give “further consideration of the most environmentally sustainable options for waste water disposal under current environmental legislation”.

- Policy SH9 (Implementation Agency) requires an Implementation Agency for South Hampshire to be created, which will be responsible for ensuring this cross-authority delivery of the infrastructure requirements of the sub-regional chapter (not restricted to but including Habitats Directive issues).

15.6.13 There are also similar references in other Sub-Regions. Paragraph 17.14 of the Sussex Coast sub-region chapter identifies ‘Waste water treatment, particularly at Hailsham and Chichester to address Water Framework and Habitats Directives requirements’ as a key issue to be addressed in taking forward development in this sub-region. Paragraph 25.22 of Chapter 25 (Areas Outside the Sub-Regions) states that “There is limited remaining capacity at the Chickenhall WWTW that is unlikely to be increased due to concerns about water quality in the River Itchen (which is designated as a European site under the Habitats Directive). However, wise use of the remaining capacity within the discharge consent will negate the need to consider alternative discharge locations for new development”. Paragraph 25.23 of the same chapter with regard to development in Winchester states that “The options for new developments within the area will need to be evaluated in terms of local sewage infrastructure capacity versus environmental

\footnote{Although the HRA of the draft Proposed Changes recommended a prohibition on further wastewater discharge to the River Itchen in order to protect the SAC, further clarification on this issue ahs since been received from the Environment Agency and renders such a prohibition unnecessary. This clarification has identified that although future expansion of the Chickenhall STW will not be permitted in order to avoid adverse effects on the River Itchen SAC, there is in fact sufficient current capacity at Chickenhall STW to accommodate the planned growth to 2026 without harm to the SAC. As such, they have advised that a prohibition on additional wastewater discharges into the River Itchen to protect the SAC is not required.}
sustainability”. This will include water quality impacts on the River Itchen SAC or downstream European sites such as the Solent Maritime SAC.

15.6.14 There are also similar references in other Sub-Regions. Paragraph 17.14 of the Sussex Coast sub-region chapter identifies ‘Waste water treatment, particularly at Hailsham and Chichester to address Water Framework and Habitats Directives requirements’ as a key issue to be addressed in taking forward development in this sub-region. Paragraph 25.22 of Chapter 25 (Areas Outside the Sub-Regions) states that “Any waste water constraints that may impede identified levels of development in the parts of Test Valley that lie within the ‘Areas Outside Sub-Regions’ area should be identified, with partnership action working to remove constraints or identify their implications for housing delivery. There is limited remaining capacity at the Chickenhall WWTW that is unlikely to be increased due to concerns about water quality in the River Itchen (which is designated as a European site under the Habitats Directive). However, wise use of the remaining capacity within the discharge consent will negate the need to consider alternative discharge locations for new development”. Paragraph 25.23 with regard to development in Winchester states that “The options for new developments within the area will need to be evaluated in terms of local sewage infrastructure capacity versus environmental sustainability”. This will include water quality impacts on the River Itchen SAC or downstream European sites such as the Solent Maritime SAC.

15.6.15 There are also several references to the need for the timely provision of water supply infrastructure, or water cycle studies to inform housing elsewhere in the sub-regional chapters:

- GAT3 – local planning authorities must have regard to water cycle strategies etc. when locating housing
- AOSR3 – A water cycle study to assess and manage the integration of the water environment on the delivery of 5,500 new dwellings. If [additional] constraints are identified, a different scale of development may be needed

15.6.16 The result is a wide-ranging and comprehensive series of policy interventions which seek to provide considerable regional direction in the mitigation/avoidance of adverse effects on European sites as a result of the specific issues of declining water resources and deteriorating water quality, covering the need for high levels of water efficiency, the need for development to be led by the provision of essential infrastructure, planning of new infrastructure in such a way as to avoid adverse effects on European sites and providing specific guidance regarding discharge to certain receiving waters (particularly the River Itchen SAC and Solent Maritime SAC, which were identified during the HRA/AA of the South East Plan as being at particular risk from this issue) and from certain Wastewater Treatment Works.
Policy framework to enable the avoidance or mitigation of coastal squeeze impacts on European sites

15.6.17 Policy NRM8 (Coastal Management) directs local authorities to “Avoid built development on the undeveloped coastline unless it … does not adversely affect environmental, cultural and recreational resources. In particular, development must not compromise the ability to preserve the interest features of Natura 2000 sites through managed retreat of coastal habitats in response to sea level rise”. This policy also directs local authorities to “identify opportunities for, and ensure that development does not prejudice options for managed realignment … in the future”. This will apply to all sub-regions even though it is not specifically mentioned in any of the sub-regional chapters and sets a clear policy framework for the avoidance of coastal squeeze in spatial planning.

15.6.18 In addition, all development will also be covered by NRM5 which provides a commitment to generate more detailed guidance for local authorities relating to European sites (and which could include a particular focus on coastal squeeze and the South Hampshire sub-region as a particular issue). Crucially, NRM5 also provides a ‘feedback loop’ whereby if it emerges from lower tier assessment where a greater level of spatial detail is available that development (for example within the South Hampshire sub-region) cannot be accommodated without coastal squeeze of sensitive European sites, the regional housing allocations for that sub-region can be revised.

15.6.19 Policy EKA7 (Integrated Coastal Management and Natural Park) of the East Kent and Ashford sub-regional chapter states that “The development, management and use of the coastal zone will be co-ordinated though a joint policy framework. This will include the conservation and enhancement of the most valuable habitats (including Natura 2000 and Ramsar sites) …”

15.6.20 The result is a policy framework that, within the constraints of regional planning policy, clearly allows for the avoidance of coastal squeeze as a result of the development to be delivered under the RSS.

Policy framework to enable the avoidance or mitigation of air quality impacts on European sites

15.6.21 Policy NRM9 (Air Quality) states that “Strategies, plans and programmes and planning proposals should contribute to sustaining the current downward trend in air pollution in the region. This will include a seeking of improvements in air quality…” and that local authorities should “Consider the potential impacts of new development and increased traffic levels on internationally designated nature conservation sites, and adopt mitigation measures to address these impacts”.

15.6.22 Policy CC8b (Regional Hubs) states that “Relevant regional strategies, Local Development Documents and Local Transport Plans will include policies and proposals that support and develop the role of regional hubs by … Giving priority to measures that
increase the level of accessibility by public transport, walking and cycling … Focusing new housing development in locations close to or accessible by public transport”.

15.6.23 Policy T6 states that: “Road user charging should be considered as part of an integrated approach to support delivery of the regional spatial and transport policy frameworks. In addition to being consistent with national guidance any scheme within the region should be matched with promotion of sustainable alternatives to vehicle use, and be designed so as to avoid disadvantaging regeneration areas dependent on road access”.

15.6.24 In addition, the HRA/AA of the draft RSS also noted that to encourage a consistent region-wide approach, local-level AAs could work to a series of rules and assumptions regarding air quality assessments. The sub-regional guidance referred to in the revised NRM5 make it possible for these guidelines to be formally associated with the RSS.

15.6.25 The result is a series of policy interventions which seeks to provide a regional policy framework in which local authorities must not only investigate and seek to address air quality impacts on European sites but should also seek a positive improvement in air quality in their districts. This is achieved by providing strategic direction to local authorities regarding consideration of the issue, by promoting prioritised use of sustainable transportation and, through Policy NRM5 by providing a mechanism whereby regional housing allocations could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the housing level within the RSS could not be delivered without adverse effects upon European sites.

Policy framework to enable the avoidance or mitigation of adverse effects on European sites through direct landtake for minerals extraction

15.6.26 Paragraph 10.66 of the Waste & Minerals chapter states that: “Only exceptional circumstances would permit extraction or processing in … internationally or nationally designated areas of nature conservation importance”. The HRA/AA of the draft RSS also identified the need to undertake further assessment of the impacts of further minerals extraction having an adverse effect on the water resources within Oxford Meadows SAC. This is not mentioned within the final RSS.

15.6.27 However, Policy NRM5 does contain a mechanism whereby regional allocations (not restricted to housing although they are cited as an example) could be revised if local authority HRA revealed that (when considered within the light of the further spatial and technical detail available at the local level) the quantum within the RSS could not be delivered without adverse effects upon European sites. Therefore, since this ‘feedback loop’ in NRM5 is not restricted to housing allocations but applies equally to other allocations within the region it provides adequate protection to the Oxford Meadows SAC from minerals extraction.
Policy framework to enable the avoidance or mitigation of adverse effects upon European sites through the loss of important supporting habitat

15.6.28 Through NRM5 the final RSS identifies the need in some cases to conserve land outside the boundaries of European sites as these can be fundamental to the continuing maintenance of favourable conservation status, particularly for highly mobile species (birds and bats).

15.7 Implementation of avoidance and mitigation measures

15.7.1 European Commission advice on mitigation measures\(^{187}\) advises that in addition to devising avoidance and mitigation measures, the competent authority should:

- Detail how the measures will be secured and implemented and by whom;
- Discuss the degree of confidence in their likely success;
- Provide a timescale, relative to the project or plan, during which the measures will be implemented;
- Provide evidence of how the measures will be monitored, and, should mitigation failure be identified how that failure will be rectified.

15.7.2 This section of the HRA/AA is therefore an appropriate place to discuss these aspects of the HRA/AA and its history of recommendations.

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<thead>
<tr>
<th>Criterion</th>
<th>How is this addressed or how will this be addressed?</th>
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<tr>
<td>How will the mitigation/avoidance measures be secured and implemented and by whom</td>
<td>Mitigation and avoidance measures will be secured and implemented in policy through their enshrinement within regional planning policy, the RSS implementation plan or associated supplementary planning guidance notes all of which will constitute binding guidance for local authorities. Delivery at a local level will be particularly through local authorities via their Local Development Framework’s and development control procedures.</td>
</tr>
<tr>
<td>Discuss the degree of confidence in their likely success</td>
<td>It is inherently difficult to calculate probable success of avoidance/mitigation measures when dealing with an RSS, since such measures at the RSS-level are intended to provide a policy framework rather than detailed practical measures to be implemented on the ground (these latter being developed at lower</td>
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</table>

\(^{187}\) European Commission DGXI (2001), Assessment of plans and projects significantly affecting Natura 2000 sites. Methodological guidance on the provisions of Article 6(3) and (4) of the Habitats Directive 92/43/EEC
tiers of planning). However, Policy NRM5 includes a specific ‘feedback loop’ whereby the regional housing allocations and mitigation measures can be revised if local authorities determine through their own LDF HRA/AA’s that they will be unable to avoid an adverse effect on European sites.

Indicate when, relative to the plan, mitigation/avoidance measures will be implemented

Regional planning policy will become binding on local authorities once the final RSS is adopted. Specific programmes for individual infrastructure and related measures will be indicated either within the RSS implementation plan or within Local Authority Local Development Frameworks. The RSS identifies that pace of development must be dictated by the provision of infrastructure works.

Describe how the measures will be monitored, and, should mitigation failure be identified how that failure will be rectified.

Implementation of all RSS policies must be subject to monitoring and reporting in accordance with PPS12 and mitigation/avoidance measures incorporated into the RSS will therefore be subject to this monitoring mechanism. With regard to how any mitigation failure would be identified, Policy NRM5 includes a specific ‘feedback loop’ whereby the regional allocations and mitigation measures can be revised if local authorities determine through their own LDF HRA/AA’s that they will be unable to avoid an adverse effect on European sites.

### 15.8 Conclusion

15.8.1 It can be seen from the preceding sections that the final RSS, while providing for a greater level of housing delivery than the draft RSS (2006) also contains an extensive network of policies (more extensive than for the draft RSS) that specifically seek to address the possible impacts of this scale of development upon European sites and combine general cross-cutting guidance on the procedures for lower tier HRA/AA by local authorities with a series of specific measures deliberately targeted to particular issues that were identified through the HRA/AA of the RSS.

15.8.2 While the final RSS has not itself lowered housing allocations for those sub-regions or districts in which the HRA/AA of the draft Proposed Changes identified a potential conflict with European sites it does provide (via the feedback loop) within NRM5 a clear opportunity for this to occur if lower tier assessments and the further detail that will arise during implementation planning confirm that the required levels of housing cannot be delivered.

15.8.3 Equally although the RSS cannot provide detailed avoidance and mitigation strategies for all impacts and effects that may arise from the Plan upon every European site (both since the housing and employment etc allocations in the RSS generally lack sufficient spatial specificity to allow a detailed assessment and because it would require a policy
for each European site which would make the Plan repetitive and unwieldy) it does set out a policy framework through which additional guidance of this nature to local authorities can and will be provided by the Secretary of State through Supplementary Planning Documents or similar.

15.8.4 As such, the final South East Regional Spatial Strategy has (within the constraints of mechanisms available to regional planning policy) made extensive changes to policy in order to ensure that adverse effects do not result on European sites. There is also acknowledgement within the RSS that the regional HRA/AA and mitigating policies are inevitably high-level, but this is recognised and allowed for through a policy framework to produce more detailed tailored guidance and for regional allocations to be revised in the light of new data coming forward from lower tier HRA/AA or other relevant studies (e.g. Water Cycle Studies). These measures thus ensure the greatest confidence possible within the confines of regional planning that development under the South East Plan will not result in an adverse effect on European sites.
16 Conclusions and recommendations for the next review

16.1 Introduction

16.1.1 This chapter:

- Summarises the likely impacts of the Final South East Plan
- Makes recommendations for the next review of the South East Plan

16.2 Likely impacts of the Final South East Plan

16.2.1 This section summarises the likely impacts of the Final South East Plan in terms of the impact dimensions required under the SEA Directive (secondary, cumulative, synergistic, short, medium and long-term permanent and temporary, positive). In addition, we also identify some of the more spatially-specific impacts likely to be felt in the different sub-regions.

16.2.2 In identifying impacts, the following key is used throughout this chapter:

<table>
<thead>
<tr>
<th>Impact Description</th>
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<tr>
<td>Significant positive impact</td>
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<tr>
<td>Positive impact</td>
</tr>
<tr>
<td>Neutral impact, or rough balance of positive and negative impacts</td>
</tr>
<tr>
<td>Unclear impact, or no data available</td>
</tr>
<tr>
<td>Impact could be positive or negative depending on how the RSS is implemented</td>
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<tr>
<td>Negative impact</td>
</tr>
<tr>
<td>Significant negative impact</td>
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Positive and negative impacts

16.2.3 Each of the previous chapters has described the ‘story’ of the impacts of the emerging plan: from current status, to likely situation without the plan, to likely situation under the Draft South East Plan, Draft Proposed Changes / Proposed Changes, and Final Revisions. Table 33 summarises these stories.

16.2.4 Overall the RSS has evolved from one that one which clearly would not provide for enough housing but that aimed to protect quality of life and the environment through innovative measures such as a Concordat with Government (draft South East Plan); to one that was significantly more driven by housing and employment imperatives but to
the detriment of environmental quality (Proposed Changes); to one that proposes housing and employment development levels in between those of the two previous versions but with much more specific environmental safeguards (Final South East Plan). The Final South East Plan is supported by a much more detailed evidence base, including a Regional Flood Risk Assessment, detailed Habitats Regulations Assessment, and more detailed information about water-related infrastructure.

16.2.5 Of all the English regions, the South East is under the greatest pressure to provide more homes. It is arguably the UK’s most economically successful and prosperous region, and is expected to continue to be a major locomotive for the UK economy. However, the region’s infrastructure, particularly its transport infrastructure, is already inadequate in many places. Its ecological footprint is the highest of all the regions, and many aspects of its environment are already under stress. Table 33 suggests that the Final South East Plan would lead to:

- **Some economic benefits** resulting from increased housing provision (although this is less than the level necessary to fully support economic growth – see Chapter 3) and the provision of employment sites and new infrastructure. The links between growth and infrastructure provision are discussed in Chapter 4.

- **Some community benefits** from the provision of more homes although the increase in provision to 32,700 dpa is clearly insufficient to accommodate the forecast number of households and combat the housing backlog (see Chapter 3). This level of housing is also unlikely to increase housing affordability, although it will provide opportunities for the provision of affordable housing (although the South East as a region has a poor record in delivering affordable housing). The links between growth and infrastructure provision are discussed in Chapter 4.

- **Significant environmental costs**, despite concerted attempts to minimise these costs, to the point of potentially approaching environmental limits (although this is difficult to demonstrate empirically). These include:
  - water resources throughout much of the region;
  - water quality in the Solent area, and possibly elsewhere due to constraints on wastewater treatment;
  - air quality near the region’s airports;
  - biodiversity, as exemplified by problems in ensuring that the integrity of sites of international nature conservation importance is not significantly affected; and

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- increased flooding due to climate change and the location of some new development in areas of flood risk.

### Table 33: Summary of impacts

#### Air quality and causes of climate change

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<tr>
<th>Current status</th>
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<th>Likely situation under Final South East Plan</th>
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<tr>
<td>Existing air pollution problems, particularly near some major roads; existing CO₂ emissions 60% above 2050 target</td>
<td>Air quality expected to improve overall due to tightening vehicle standards. CO₂ emissions per home expected to reduce through tighter Building Regulations, increased production of renewable energy etc. However growth in number of homes and traffic likely to partly counter this. Aircraft emissions expected to roughly double by 2030.</td>
<td>Increased air pollution from 28,900 new homes per year and associated traffic, though policies on air quality and renewable energy aim to counter this. Up to 1.8MT CO₂ emissions per year from new homes, plus 1.6MT embodied energy in the homes; plus CO₂ from traffic associated with new homes</td>
<td>Increased air pollution from 33,125 new homes per year and associated traffic, though policies on air quality and others seek to counter these effects.</td>
<td>Increased air pollution from 32,700 new homes per year and associated traffic, though policies on air quality and others seek to counter these effects. Up to 2.1MT CO₂ emissions per year from new homes, plus 1.85MT embodied energy in the homes; plus CO₂ from traffic associated with new homes. It would be impossible for the RSS not to have such impacts, given that its remit is to set a context for development (notably of housing) but does not allow it to control the developments’ air pollution and climate change impacts.</td>
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#### Biodiversity and open space

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<tr>
<td>Significant past declines. Some aspects currently declining, others improving</td>
<td>Development likely to continue to negatively affect biodiversity</td>
<td>Increasing housing likely to negatively affect biodiversity despite safeguards in RSS; see HRA</td>
<td>Further increase in households partly balanced by new green infrastructure policy, but lack of certainty about its implementation (CC7)</td>
<td>Slight reduction in household numbers since the Proposed Changes, and more HRA measures included. However biodiversity is still likely to be affected by land take, increased disturbance, impacts on water levels etc.</td>
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## Community wellbeing

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<tr>
<td>Similar to the national picture, the region’s population is aging with the number of over 65s soon outweighing the number of people under 16. Clustering of over 65’s occurs in the South of the region and on the coast, but is expected to lessen and spread throughout the region. The region has the highest male and female healthy life expectancy, health levels are above the national average and health has improved. Mortality rate has decreased and suicide rates have dropped. However, pockets of high deprivation exist. Pockets of high levels of crime exist within the region and there is fear of crime, although this trend looks like it may reverse.</td>
<td>Whilst relative health levels will improve, an increasingly elderly population will place increasing pressures on health services. Health may generally improve with increasing prosperity and national policy to tackle issues such as smoking and obesity. Little movement in tackling persistent inequalities of deprivation in the region, and disparity of economic performance.</td>
<td>Mixed and minor positive effects arising from the implementation of the Plan. The policies address aspects of health related to spatial planning and housing provision, but no consideration of significant regional inequalities in health. The Plan recognises the importance of issues of poverty and social exclusion to be addressed in all parts of the region, but there is little emphasis on closing the gap between different parts of the region. The relationship between socio economic deprivation, social exclusion, and social factors affecting economic participation and the development of the sub-regions, are not explored in detail. Strong emphasis across a range of policy areas on accessibility of services and facilities, but the emphasis just on services for new development needs to be widened.</td>
<td>Policy change removes the certainty over the provision of infrastructure, including health and social infrastructure that could lead to increasing pressure on existing community facilities and resources to accommodate the additional growing population and households. This may stretch resources that are close to capacity, particularly in areas of existing deprivation and within the regional hubs. Some areas are set to experience particularly rapid population growth. New positive policy securing green infrastructure provides opportunities for recreational and cultural use, which in turn is likely to improve health levels, promote mental well-being, help to establish local identity and sense of place, and promote a sense of community – but an inherent tension with identifying and providing additional land for housing demand. The distribution of the additional housing growth is unlikely to act as a catalyst for regeneration or lead to changes in the existing regional pattern of deprivation.</td>
<td>The real issue in relation to housing is the widening gulf between the level of housing provision envisaged in regional policy and the actual level of housing need. The latest household projections (March 2009) indicate that 39,000 new households will emerge per year in the South East from 2006 to 2031. This indicates a shortfall of over 6,000 dpa not even taking into account the existing housing backlog. The existing economic climate and the downturn in the construction sector will only worsen the situation and it remains to be seen whether provision can rapidly increase over-and-above past delivery rates once the upturn begins. The social impacts of the cumulative shortfall in housing provision are difficult to clearly envisage but will clearly be significant. The Final Revisions state that “The next review of this RSS also needs to review the current levels of housing and a higher rate of provision than 32,700 dwellings per annum is likely to be necessary to meet the strategic needs in the region”. In relation to deprivation, there appears to be little movement in tackling persistent inequalities in the region.</td>
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*Draft South East Plan*
## Economy

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<td>The largest and fastest growing regional economy in Britain, accounting for more than 15% of the UK’s GDP, with the second highest per head of the population and contribution to the UK economy after London. Major strengths in a broad-based economy including: technology based services; advanced manufacturing; tourism; financial services, and; construction sectors. However, there are serious disparities in prosperity across the South East, with a wealthy regional core and poorer periphery. Although pockets of deprivation and poverty exist throughout the region, they are particularly apparent in eastern and coastal parts. Business is diverse: whilst a strong central role is played by its cities and towns, nearly a quarter of businesses are based in rural areas. A highly skilled population and high rates of employment.</td>
<td>In the short to medium term, the economy of the region is likely to keep thriving, at least relative to other regions. The region’s proximity to London, its role as a major gateway to the UK and continental Europe, and Government’s promotion of major growth at Thames Gateway, Milton Keynes – South Midlands and Ashford will all contribute to maintaining the region’s economic buoyancy. The Regional Economic Strategy is also a major driver of economic growth in the region.</td>
<td>The draft South East Plan would have mixed or uncertain impacts on the economy, and that it could go much further in promoting economic growth. Likely to produce more employment opportunities and encourage in-migration within the region. Policies in place to support access to the labour market, although if higher than anticipated growth rates occur, they are unlikely to meet all the housing requirements. Unclear whether all communities within the South East will benefit from employment and economic growth as a relatively limited focus on deprivation pockets. Policies in place to support access to the labour market, although if higher than anticipated growth rates occur, they are unlikely to meet all the housing requirements.</td>
<td>The changes deal with many of the limitations identified by the SA, and are much more likely to support economic growth, a knowledge-based economy, and economic revival of deprived areas. They provide greater spatial specificity, which should help to ensure that the plan is implemented effectively. The Proposed Changes also stress the need for co-ordinated effort and cross-boundary working to better align economic and housing growth, deliver adequate infrastructure, and planning for sustainable development. Positive changes to policies for: competitiveness; employment and land provision; human resource development; and smart growth. Policies on housing provision and affordable housing provide support to the economy but are arguably insufficient.</td>
<td>Little change from the Proposed Changes stage. The slightly reduced overall level of housing provision may have corresponding effects on the economy. However, the real issue is the widening gulf between housing provision and the number of new households with potentially significant impacts on the economy.</td>
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## Flood risk

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<tr>
<td>Roughly 300,000 homes in the region are already at risk of flooding</td>
<td>Flooding likely to increase with climate change and development under RPG9; development in other regions could increase risk of fluvial flooding in South East</td>
<td>Development in some areas – including parts of South Hampshire, Thames Gateway and Central Oxfordshire – likely to increase flood risk</td>
<td>Development in additional areas – including Gatwick/ Crawley and Shoreham Harbour – could further increase flood risk</td>
<td>The SFRA shows Crawley to be less at risk of flooding than previous thought, and some of the housing allocations made in the Proposed Changes have been removed. However the RSS is still likely to significantly increase flood risk, especially in the London Fringe, Milton Keynes, Kent Thames Gateway, and Shoreham Harbour.</td>
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### Housing and affordable housing

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<tr>
<td>RPG9 only requires 28,050 dpa – well below the level necessary to reflect household projections and housing backlog</td>
<td>On the basis of RPG9 and current trends, it seems very likely that housing delivery rates would continue to be significantly below those required to accommodate the forecast increase in the number of households. New household projections published just before the close of the EiP indicated that 34,500 additional households per annum will emerge in the South East between 2006-26. Revised projections since then indicate a figure of 35,900 households per annum. In terms of affordability, according to the 2007 AMR, the ratio of average income to average house prices shows the difficulties with housing affordability and despite rapid increases in housing delivery in recent years, affordability continues to worsen.</td>
<td>The SA of the Draft South East Plan concluded that, “In general terms, current housing development rates are not sufficient to meet housing needs and pressure on the housing market within many parts of the region is increasing. The Preferred Spatial Strategy [based on 28,900 dpa] would provide a level of growth that would be less effective at dealing with issues of backlog than higher growth rates.” Furthermore, “The preferred option is likely to be less effective than higher rates of housing provision in reducing pressure on the housing market, and ensuring affordable housing or accommodation for the homeless”. The National Housing and Planning Advice Unit (NHPAU) – shows that even large increases in housing supply would have only a very small impact on affordability for prospective owner-occupiers. Simply making more land available to increase the supply of housing will not address the problem. What is required is more affordable housing” The increase to 33,125 dpa will increase the scope for the provision of affordable housing as part of new developments.</td>
<td>33,125 dpa will better reflect the region’s housing need but will be insufficient to provide for the number of emerging households and combat the housing backlog. In terms of the impact of higher housing provision on affordability, the 2007 AMR observed that “Evidence from the Government’s own advisors on affordability – the National Housing and Planning Advisory Unit (NHPAU) – shows that even large increases in housing supply would have only a very small impact on affordability for prospective owner-occupiers. Simply making more land available to increase the supply of housing will not address the problem. What is required is more affordable housing” The increase to 33,125 dpa will increase the scope for the provision of affordable housing as part of new developments.</td>
<td>The real issue in relation to housing provision is the widening gulf between the level of housing provision enshrined in regional policy and the actual level of housing need. The latest household projections (March 2009) indicate that 39,000 new households will emerge per year in the South East from 2006 to 2031. This indicates a shortfall of over 6,000 dpa not even taking into account the existing housing backlog. The existing economic climate and the downturn in the construction sector will only worsen the situation and it remains to be seen whether provision can rapidly increase over-and-above past delivery rates once the upturn begins. The social impacts of the cumulative shortfall in housing provision are difficult to clearly envisage but will clearly be significant. In terms of affordability, the increase is likely to have a negligible impact on affordability based on the evidence. However, the increase in provision will increase the scope for providing affordable housing. Having said this, the South East has a poor record in delivering affordable housing; completions of affordable homes are running at some 30% below the rates set out in the Draft South East Plan.</td>
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### Land use, landscape and the historic environment

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<tr>
<td>Three-quarters of new housing is currently built on previously developed land, though to a slightly lower density than the English average. The region contains 40% of England’s ancient woodland, nine AONBs, one National Park, and one proposed National Park, and the London (partly) and Oxford Green Belts. The region has a rich historic environment with more registered historic parks and gardens than any other region, and more conservation areas. However, housing developments in nature conservation areas, AONBs and National Parks have increased in five counties.</td>
<td>Without the RSS, the region’s important landscapes and historic environments would continue to be covered by national and local designations which offer a level of protection. However, there are a number of threats to important areas within the region, particularly when considering growth in adjacent regions. In particular, it seems reasonable to assume that the increasing trend for housing developments in or near nature conservation areas, AONBs and National Parks identified in the 2007 AMR would continue.</td>
<td>The SA of the Draft South East Plan indicated that the proposed levels of housing (28,900 dpa) would place considerable pressures on important landscapes within the region. However, predicting local impacts from a regional plan such as this is problematic, and it is likely that development could be accommodated in some locations without causing significant negative impacts.</td>
<td>Levels of housing completions on previously developed land are likely to remain high in the short-term but would begin to fall off in the medium- to longer-term as the supply of land in urban areas declines. This potentially places the region’s landscapes of the urban fringe and, in particular, around the 22 Regional Hubs and other growth areas, at risk. However, this risk could be partly ameliorated by the new green infrastructure policy, but there is a lack of certainty about its implementation (CC7). A policy of urban concentration will generally protect historic rural landscapes but place the historic cores of the region’s settlements at greater risk. Policy changes place an emphasis on small scale development that does not compromise the purpose of the National Park landscape designation, and afford further protection to landscape and historic maritime features.</td>
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A policy of urban concentration will generally protect historic rural landscapes but place the historic cores of the region’s settlements at greater risk. Policy changes place an emphasis on small scale development that does not compromise the purpose of the National Park landscape designation, and afford further protection to landscape and historic maritime features.
### Transport and accessibility

<table>
<thead>
<tr>
<th>Current status</th>
<th>Likely situation without the plan</th>
<th>Likely situation under Draft South East Plan</th>
<th>Likely situation under Draft South East Plan + Proposed Changes</th>
<th>Likely situation under Final South East Plan</th>
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<tbody>
<tr>
<td>84% of all the distance travelled in the South East is by car, and 74% of people in the region travel to work by car. Residents of the South East are the least likely to use the bus. The South East is the largest petrol and diesel consumer of the regions. Average daily motor vehicle flows on the region’s roads are second only to those in London, and not very far off London levels. The road network in the region is already under stress in many locations and congestion is acting as a brake on new development.</td>
<td>The combination of continuing population growth would probably worsen transport problems in the region. Alternatively, splitting households could reduce the need to travel overall (and thus the need for transport infrastructure) but increases demand for green infrastructure and accessible local services.</td>
<td>Policies for additional housing provision, supporting regionally important sectors and clusters, and employment and land provision are likely to increase the need to travel although urban concentration will assist in minimising demand. The Draft South East Plan aimed to dampen demand and increase transport choice and availability of more sustainable modes. Several trunk roads are anticipated to be unable to cope with demand, worsened by limited junction capacities. Lack of funding to cope with transport issues.</td>
<td>A higher housing provision target than with the draft plan is likely to have a stronger negative impact. Removal of the conditionality clause, combined with minimum housing figures, is likely to worsen the situation. Funding for infrastructure (e.g. the Community Infrastructure Fund and the Growth Areas Fund) may assist in combating some of the negative impact.</td>
<td>The removal of ‘at least’ from policy H1 gives greater certainty that adequate transport infrastructure will be provided. Overall, however, provision of 32,700 new dwellings per year plus employment development and associated infrastructure will increase traffic levels and congestion in the region.</td>
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### Water quality

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<tr>
<th>Current status</th>
<th>Likely situation without the plan</th>
<th>Likely situation under Draft South East Plan</th>
<th>Likely situation under Draft South East Plan + Proposed Changes</th>
<th>Likely situation under Final South East Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water quality has improved over time. There are existing problems in the Solent area.</td>
<td>Water quality likely to be negatively affected by development in region. Positively by Water Framework Directive should</td>
<td>Deterioration in water quality expected, especially around the Solent.</td>
<td>Some further deterioration in water expected, although most additional development is not on the South Coast.</td>
<td>Slightly lower housing numbers than in the Proposed Changes, the removal of ‘at least’ from Policy H1, and policies to manage specific areas of concern regarding wastewater treatment help to minimise the RSS’s impacts on water quality. Some impacts are still expected to occur, however, e.g. in the Solent.</td>
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### Water resources

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<tr>
<th>Current status</th>
<th>Likely situation without the plan</th>
<th>Likely situation under Draft South East Plan</th>
<th>Likely situation under Draft South East Plan + Proposed Changes</th>
<th>Likely situation under Final South East Plan</th>
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<tbody>
<tr>
<td>Water consumption is within environmental limits throughout much of the region, but in deficit in some parts of the region. Few areas have additional water available.</td>
<td>Climate change likely to increase water use; compulsory water metering to decrease it. Other regions are likely to use more water due to increase in households / population.</td>
<td>‘Twin-track’ approach of providing more water resource infrastructure and influencing people’s behaviour expected to keep resources in balance.</td>
<td>The RSS for the South East will lead to increased water use because of its proposal for more housing and employment. It supports water efficiency (although this support could be stronger) and it also supports the provision of water infrastructure. Although per capita water use is likely to decrease, total water use in the region is likely to increase. Both demand management and resource provision are subject to uncertainties, and it is possible that water resources will be a constraint to development within the lifetime of the RSS.</td>
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16.2.6 As for most current spatial plans in the UK, we also have concerns about deliverability. There is a real danger that, in an effort to achieve housing targets, the RSS’s policies on resource efficiency and infrastructure provision could be compromised\(^{189}\). This risk has increased with the downturn in the economy and the house building sector in particular.

**Secondary impacts and interrelationships between impacts**

16.2.7 Secondary impacts are those that are not a direct result of the plan, but occur away from the original impact or as a result of a complex pathway.

16.2.8 Many aspects of the RSS are interlinked, as are its impacts. Table 34 shows the main interrelationships between the factors analysed in this report. The table suggests that achievement of the RSS’s economic objectives is supported by the RSS’s policies on housing, employment sites etc., although lack of achievement of environmental objectives may have longer-term negative consequences. Community wellbeing and health is supported by the RSS’s strong focus on housing provision and the economy; undermined by the likely reduction in the region’s environmental quality; and made uncertain by the lack of clarity about infrastructure provision and the effectiveness of the RSS’s affordable homes policies. Achievement of environmental objectives is likely to be constrained by the number and location of future development, and the lack of certainty about some infrastructure provision.

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\(^{189}\) For instance Medway Council is already applying a flexible policy to Section 106 payments, and Ashford Borough Council is allowing deferred Section 106 payments in response to the economic downturn (Planning, 27 March 2009).
### Table 34: Secondary impacts / interrelationships between impacts

<table>
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<tr>
<th>Maintenance of...</th>
<th>... Depends on....</th>
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<tr>
<td>good air quality, reduced causes of climate change</td>
<td>good access to facilities, balance of homes and jobs, reduced need to travel; enough to make up for increased population/households</td>
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<tr>
<td></td>
<td>combination of high quality new homes and retrofit of existing homes; enough to make up for increased number of homes</td>
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<tr>
<td>biodiversity, open space, landscape</td>
<td>water quality</td>
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<td>water levels</td>
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<td></td>
<td>good air quality</td>
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<td></td>
<td>efficient land use, careful siting of new development</td>
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<td>provision and good management of open space / green infrastructure</td>
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<td>Community wellbeing and health</td>
<td>provision of adequate housing levels, good quality homes</td>
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<td>thriving economy</td>
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<td>provision of affordable homes</td>
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<td>provision of infrastructure: health, social, green etc.</td>
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<td></td>
<td>good air quality, water quality, biodiversity</td>
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<td>lack of flooding and climate change</td>
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<td>a sustainable economy</td>
<td>provision of enough homes in appropriate locations (helping to balance existing and likely future home-job disparities)</td>
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<td>provision of employment sites in appropriate locations (areas of future growth, limited constraints)</td>
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<td>provision of resources, e.g. minerals, energy</td>
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<td>provision of affordable homes for key workers etc.</td>
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<td></td>
<td>good access, provision of adequate transport infrastructure</td>
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<td>attractive and productive environment</td>
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<td>lack of flooding and climate change</td>
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<tr>
<td>lack of flooding</td>
<td>Appropriate location of development (not in flood risk zones)</td>
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<tr>
<td></td>
<td>reduced causes of climate change</td>
</tr>
<tr>
<td>good accessibility / transport</td>
<td>Appropriate location of development (good balance of housing/jobs, etc.)</td>
</tr>
<tr>
<td></td>
<td>provision of transport and green infrastructure</td>
</tr>
<tr>
<td>good water quality, adequate water resources</td>
<td>appropriate location of development (not in areas of water resource constraints, where wastewater treatment is at/near capacity)</td>
</tr>
<tr>
<td></td>
<td>provision of water and wastewater infrastructure</td>
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</table>
Short, medium, long-term, permanent and temporary impacts

16.2.9 Some of the key short, medium and long-term, permanent and temporary impacts of the Final South East Plan include:

- **Short-term (<5 years):** Continued shortfall in housing and affordable housing and consequent impacts on economic growth and social cohesion. Infrastructure deficit continues in some areas.

- **Short- / medium-term (5-10 years):** Continued shortfall in housing and affordable housing and consequent impacts on economic growth and social cohesion. AMR indicates that development land in urban areas will start to wane in the medium- to longer-term; pressure for development on the urban fringe particularly around the 22 Regional Hubs will progressively intensify with likely impacts on biodiversity and the landscape (pressure could be further intensified by a switch towards family homes rather than flats and the subsequent need for greater amounts of land). Infrastructure deficit intensifies in some areas.

- **Medium-term (10-15 years):** Available urban land starts dwindling and an emphasis on larger homes puts additional pressure on greenfield land. Infrastructure deficit continues, and probably worsens in some areas. As the AMR acknowledges, “Although the [Draft] South East Plan continues with a strong emphasis on protection, pressure for development outside urban areas will increase in the future as the urban potential reduces and the scale of development required to meet Government targets on housing increases”. Pressure on infrastructure will grow and the impacts of infrastructure deficits likely to be increasingly felt.

- **Medium- / long-term (15-20 years):** Increased risk of flooding from climate change; possibly significant infrastructure deficit in some areas; and housing provision and economic growth increasingly constrained by infrastructure deficit. Increased housing provision in recent years may start to ease affordability pressures although this remains uncertain.

Cumulative and synergistic impacts

16.2.10 Cumulative impacts are impacts that result from incremental changes caused by other past, present or reasonably foreseeable actions together with the Final South East Plan. Synergistic impacts are when a total effect is greater than the sum of the individual effects.

16.2.11 The SA findings suggest that environmental limits in the South East are being approached and could conceivably be breached (although this is difficult to demonstrate empirically). Rapid housing and economic development is being promoted in an area that is already subject to significant environmental constraints and pressures.

16.2.12 Table 35 shows the impacts of the Final South East Plan, as well as the impacts of the RSSs for adjacent regions and other trends. The table is based on the sustainability
appraisals of the RSSs. The appraisals show that the other RSSs will have strikingly similar effects to those of the Final South East Plan: positive for housing, employment and community wellbeing, and negative for the environment. This suggests that, nationally, the negative environmental impacts of the Final South East Plan will not be counterbalanced by improvements in other regions.

Table 35: Impacts of the Final South East Plan plus other regions’ RSSs

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<tbody>
<tr>
<td>Air quality &amp; causes of climate change</td>
<td>Increased air pollution from 32,700 new homes per year and associated traffic, though policies on air quality and others seek to counter effects.</td>
<td>Sets stringent energy efficiency standards for new buildings; Energy Strategy aims to supply 14+% of London's electricity from renewable energy by 2010. However overall still likely to be negative.</td>
<td>Increased road capacity and support for airport development likely to have negative impacts</td>
<td>RSS policies aim to reduce air pollution and achieve carbon neutrality. But they also promote road improvements with effects on air quality, and East Midlands Airport proposals will exacerbate climate change impacts</td>
<td>Increased emissions from transport and infrastructure, and increased carbon emissions and energy consumption</td>
<td>Expansion of Gatwick and Heathrow airports; government CO2 reduction targets; power station development supported by energy National Policy Statements</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>Biodiversity is still likely to be affected by land take, increased disturbance, impacts on water levels etc.</td>
<td>Additional development likely to affect biodiversity in/ near London</td>
<td>Impacts on biodiversity could occur from noise, recreation, light and air pollution associated with increased population, new development and traffic</td>
<td>Uncertain impacts on biodiversity, though the RSS has strong policies protecting biodiversity</td>
<td>Potentially a further loss of habitats and species but potentially biodiversity gains / enhancement depending on the quality of RSS implementation</td>
<td>Water Framework Directive</td>
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### Community wellbeing

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<tbody>
<tr>
<td>RSS likely to lead to further provision of new housing and affordable housing to accommodate emerging households and assist in combating the housing backlog</td>
<td>1 in 4 Londoners, and 41% of children, are affected by income poverty. London Plan tries to deal with this, and the widening health gap between rich and poor. Strong emphasis on supporting London's vibrancy, diversity etc.</td>
<td>The RSS’s emphasis on economic growth, competitiveness and productivity rather than types of activity may not benefit those most in need. Strong emphasis on achieving sustainable communities</td>
<td>There is a strong emphasis on regeneration in the RSS which is expected to positively affect social capital</td>
<td>The RSS aims to improve quality of life, and address existing deficiencies and deficits in social, environmental and transport infrastructure. Its effects on social exclusion depends on whether housing targets are achieved</td>
<td>CROW Act; smoking ban; general government drive to reduce obesity; green infrastructure policies in all / most regions</td>
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### Economy

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<tr>
<td>Increased levels of housing provision put forward partly on the basis of facilitating economic growth</td>
<td>Net growth of 636,000 jobs expected 2001 – 2016; most in finance and business services</td>
<td>RSS emphasises economic growth and productivity</td>
<td>RSS supports high quality employment opportunities, and seeks to accommodate rather than restrict growth. How far the policies provide land of the right type depends on whether there is any constraint on the property market</td>
<td>RSS provides high growth in key urban centres and promotes employment</td>
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### Flooding

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<tbody>
<tr>
<td>The RSS is still likely to significantly increase flood risk, especially in the London Fringe, Milton Keynes, Kent Thames Gateway, and Shoreham Harbour.</td>
<td>Plan would lead to more housing being built in the floodplain, especially in Thames Gateway</td>
<td>Flood risk is an issue in a number of locations, and these risks are likely to increase as a result of climate change.</td>
<td>Large areas of the East Midlands are in zone 2 or 3 flood risk</td>
<td>Effects on flood risk with relate to the extent to which developments avoid flood plains and other areas of flood risk</td>
<td>Possible new Thames Barrier, increased flood protection at Thames Gateway etc.; but set against a backdrop of increasing impacts from climate change</td>
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<tr>
<td>RSS likely to lead to further provision of new housing and affordable housing to accommodate emerging households and assist in combating the housing backlog</td>
<td>RSS should provide for at least one dwelling per household by 2026, and provides for a higher proportion and higher total number of affordable homes</td>
<td>RSS housing provision is likely to meet identified needs</td>
<td>Cumulative effect of the RSS is a shortage of housing and lack of affordable housing, with associated house price inflation, lack of housing for key workers etc.</td>
<td>Government is likely to require all regions to provide more housing as a result of the NHPAU’s (2007) Developing a Target Range of the Supply of New Homes Across England which recommends minimum by 2016 EoE 28200, London 40900, SW 28700</td>
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<tr>
<td>Development of 32,700 homes, particularly those in the Green Belt and at the Regional Hubs, places the region’s landscapes and historic heritage at risk, partly ameliorated by the new green infrastructure policy</td>
<td>London has great wealth of fine historic buildings and spaces</td>
<td>The RSS seeks to avoid the most environmentally sensitive locations, but there remains potential for some direct impacts, such as the loss of best and most versatile agricultural land. Indirect impacts could include impacts on natural and historic landscapes and assets.</td>
<td>RSS policies recognise the value of the region’s cultural assets but some housing and transport policies are likely to increase pressure on cultural assets and distinctiveness, and the scale of development is likely to significantly affect the character of parts of the region</td>
<td>Use of previously developed land should reduce the demand for Greenfield sites. However pressures on Greenfield sites are still likely to be strong. Likely incremental loss of rural and urban character</td>
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<tr>
<td>Land use, landscape and historic environment</td>
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<td>Land use, landscape and historic environment</td>
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<td>Land use, landscape and historic environment</td>
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Transport and accessibility

Provision of 32,700 new dwellings per year plus employment development and associated infrastructure will increase traffic levels and congestion in the region. Though RSS transport policies aim to counter this trend, improving accessibility is key aim of London Plan and daughter documents. Under Ken Livingstone, the aim for London was to reduce weekday traffic by 15% in central London; zero growth across rest of inner London; range of (mostly) rail schemes in London. Unclear what will happen under Boris Johnson.

RSS aims to improve alignment of jobs and homes, and accessibility to services, which should help to create shorter journeys. However the RSS proposes increases in road capacity, which assumes and will help ensure that traffic continues to increase.

Uncertain deliverability of sustainable transport measures; the plan aims to regenerate peripheral areas through improving accessibility (via more transport infrastructure).

Increased traffic

General government support to congestion charging; government support for Heathrow Runway 3; emerging NPSs on linear transport infrastructure and airports

Water quality and water resources

Deterioration in water quality, especially along South Coast, continuing pressure on water resources

Unclear where water for London’s housing is expected to come from; negative impact

Water use likely to increase due to increased population

The RSS has a strong policy on water resources and water quality but uncertainty remains in relation to maintaining a balanced supply and demand for water resources and sewerage treatment works are at risk of a lack of future in some areas

Continuing pressure on water services

Water Framework Directive

Spatially specific impacts

16.2.13 The Final South East Plan is likely to have some particularly significant environmental impacts on specific sub-regions – see Table 36.
### Table 36: Key environmental impacts by sub-region

<table>
<thead>
<tr>
<th></th>
<th>South Hampshire</th>
<th>Sussex Coast</th>
<th>East Kent and Ashford</th>
<th>Kent Thames Gateway</th>
<th>London Fringe</th>
<th>Western Corridor Blackwater Valley</th>
<th>Central Oxfordshire</th>
<th>Milton Keynes and Aylesbury Vale</th>
<th>Gatwick</th>
<th>Isle of Wight and areas outside sub-regions</th>
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<tr>
<td>Air quality, causes of climate change</td>
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<td>Biodiversity and open space</td>
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<td>Flood risk</td>
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<td>Transport and accessibility</td>
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16.2.14 Sub-regions where impacts are a particular concern include:

- **South Hampshire and Sussex Coast** (air, biodiversity, flooding, transport, water quality, water resources): The south coast already faces significant traffic congestion problems, which would be exacerbated under the proposed plan. Water quality in the Solent is already suffering. Most of the proposed employment sites in SCT3 are either in flood zone 3 or in/close to sites of nature conservation importance.

- **Gatwick** (air, water resources, water quality, flooding). Although most of the impacts of new development in the Gatwick area can be mitigated through infrastructure provision, the area remains vulnerable to flooding, and to problems with water quality and resources. The significant increase in homes in the Gatwick area – 7500 at Crawley Borough, westward expansion of Crawley for at least 2,500 homes (Horsham), significant housing north west and north east of Horley (Reigate and Banstead), and possibly housing at Crabbet Park to the east of Crawley (Mid Sussex) - will exacerbate these problems. It will also place many new residents near Gatwick Airport, which is expected to significantly increase operations to 2030.
These residents, as well as existing ones, will be subject to relatively high levels of air pollution, noise and congestion etc.

- Proposed development sites of particular concern include Shoreham Harbour which is at significant risk of flooding, and the DERA site at Chertsey which is directly adjacent to the Thames Basin Heaths.

16.3 Recommendations for the next review of the South East Plan

16.3.1 We understand that a relatively rapid review of the RSS’s housing targets is likely, to take account of the housing targets set out in the NHPAU report and the findings of the CLG’s recent household projections to 2031. The Local Democracy, Economic Development and Construction Bill would lead to Regional Spatial Strategies and Regional Economic Strategies being merged into Regional Strategies. Reviews of the needs of gypsies and travellers and of parking policy are already under way. The Final South East Plan refers to a review of the RSS, or matters to be kept under review, at several points: see Box 9.
Box 9: References to RSS review or RSS matters to be kept under review

- *Housing numbers* will be reviewed (para. 7.7, 7.12, 23.29)
- *Eco-towns and Growth Points* need to be taken into account in any RSS review (para. 4.9, Policy H2)
- *Housing east of the M1 motorway at Milton Keynes* may be reconsidered in an RSS review (para. 23.10)
- Where future housing in the London Fringe sub-region cannot be accommodated as a result of impacts on water quality, water resources or flooding, this will need to be reflected in revised *housing allocations* through a review of the RSS (Policy LF3, WCBV3, CO3, footnote 2)
- An early review of the RSS on *employment land* is needed to provide robust guidance on the scale and location of employment and floor space required (para. 6.20)
- Regular reviews of the RSS will provide an opportunity to review *economic growth and jobs* (para. 16.36, 20.6)
- RSS review should identify *further opportunities for growth in the Golden Arc* to support wealth generation (para. 4.14)
- Proposals for *additional floorspace at Bluewater* will be considered in RSS reviews (Policy KTG5)
- Links between the growth of new houses, jobs and strategic infrastructure will be kept under review (para. 19.37)
- The *strategic network of town centres* will be kept under review, as will the broad *quantum of growth expected in the town centres* (Policies TC1 and TC2, para. 13.22)
- Regional standards for public transport accessibility will be considered in an RSS review (para. 8.12)
- *Climate change targets for the region* to 2026 will be established in the first RSS review (Policy CC2)
- The *effectiveness of Policy NRM6* (Thames Basin Heaths) will be reviewed (Policy NRM6)
- The next RSS review should be informed by the next round of *Shoreline Management Plans* (para. 9.72)
- The *landfill provision* figures of Policy W3, and figures concerning *tonnage of waste to be managed* of Figure W4 may be reconsidered in RSS reviews (Policies W3 and W4)
- The *need to set policy concerning Fuller’s earth* will be subject to periodic review (para. 10.68)
- *Primary aggregates apportionment* will be reviewed (para. 10.90)
- The Implementation Plan programme of investment and the Delivery Plan should be regularly reviewed (para. 8.42, 8.45)
16.3.2 For the next review of the South East Plan we would also recommend, in procedural / strategic terms, that the Regional Planning Body:

- **Take a more environmental constraints-led approach to the distribution of future growth** (inspiration could be taken from the analysis in the Roger Tym Report which concluded that at a strategic level and within existing policy constraints, the sub-regions have differing capacities to accommodate additional growth over-and-above the levels set out in the South East Plan – see Figure 21 and Box 25). Greater and earlier use should be made of information from the Strategic Flood Risk Assessment and Habitats Regulations Assessment, particularly concerning constraints to future development.

- **Consider the option of new freestanding settlements** – the scale of growth the Government envisages for the region may necessitate considering new freestanding settlements which could reduce the strain on existing Regional Hubs and large settlements.

- **Consider a pan-regional approach to the growth debate**: “Many... have struggled with the difficulty of forming a view on the right level of development for one region in isolation. There is a common perception that in the Midlands and the North growth is wanted more and would be more easily absorbed. Whilst... this cannot absolve the East of England from dealing with its own growth requirements, it remains the case that there are major inter-regional issues that cannot satisfactorily be addressed separately by each region in turn, as is happening with the current round of RSS. These are not just about balancing housing growth, jobs and environmental interest, but also raise serious issues about infrastructure and resources” (East of England EiP Inspector)

16.3.3 Generally, the evidence base in relation to infrastructure, resource consumption and environmental capacity also needs to be strengthened prior to the review. We understand that the Environment Agency is carrying out research into environmental limits in the region.
Box 10: Capacity to accommodate growth among the sub-regions

- Central Oxfordshire, Kent Thames Gateway, Milton Keynes and Aylesbury Vale, and South Hampshire offer the most potential for additional growth, although there could be issues relating to flood risk, water resource availability, and biodiversity in some or all of these areas;

- East Kent/Ashford offers some potential for growth, although again there could be issues relating to flood risk, water resource availability, and biodiversity;

- The Western Corridor offers limited potential for further growth, with the internationally designated Thames Basin Heaths acting as a potential constraint to development and also potential issues regarding designated landscapes, flood risk and water resource availability;

- There appears to be the least potential to accommodate additional growth in Gatwick, the London Fringe and the Sussex Coast sub regions, due to a range of environmental and planning constraints.
17 Monitoring

17.1 Introduction

17.1.1 The SEA Directive includes a specific requirement for monitoring the significant environmental effects of plans and programmes and the Environmental Report on the assessment (incorporated within this report) should include a description of the measures envisaged for monitoring the plan.

The ‘Environmental Report’ required under the SEA Directive should include:

“a description of the measures envisaged concerning monitoring in accordance with Article 10”

Annex 1(i)

“Member States shall monitor the significant environmental effects of the implementation of plans and programmes…”

(Article 10(1))

17.2 Monitoring the South East Plan

17.2.1 Monitoring work at the regional level is guided by Regional Spatial Strategy Monitoring: A good practice guide, which states that: "(monitoring) represents a crucial feedback loop with the cyclical process of policy-making. It provides information on the performance of policy and its surrounding environment, taking a future orientated approach by identifying the key challenges and opportunities and enabling adjustments and revisions to be made if necessary."

17.2.2 SEERA currently monitors RPG9 through the Regional Monitoring Report (RMR). However, the 2007 will be the last RMR to fully monitor RPG9. Subsequent RMR documents will monitor the South East Plan through the Monitoring Framework set out within the Plan. Monitoring will also cover the Regional Sustainability Framework. As such, the RMR monitors a comprehensive set of sustainability indicators for the region.

17.2.3 Table 37 identifies a series of issues which we recommend should be monitored through the RMR process.

### Table 37: Issues recommended for monitoring

<table>
<thead>
<tr>
<th>Topic</th>
<th>Suggested issues for monitoring</th>
</tr>
</thead>
</table>
| Air quality & causes of climate change | Air quality at Chertsey, Dover etc.  
Per capita energy use  
Renewable energy provision  
Ecological footprint  
Delivery of climate change targets |
| Biodiversity and open space            | Condition of SSSIs  
Integrity of European sites, particularly Thames Basin Heaths  
Implementation of BAPs |
| Community wellbeing                    | Implementation of green infrastructure                                                           |
| Economy                                | Employment and unemployment                                                                      |
| Flooding                               | New housing/development built in flood risk areas  
Effect of SFRA information on housing numbers in districts where the RSS says that flooding issues could affect housing numbers |
| Housing and affordable housing         | Housing delivery  
Levels of affordable homes                                                                         |
| Land use, landscape and historic environment | Listed buildings etc. affected by development  
Housing density  
Housing on greenfield / Green Belt / previously developed land  
Waste production  
Waste management - % waste reused, recycled etc. |
| Transport and accessibility            | Vehicle-km (total and per person)  
Vehicular modes used  
Levels of walking and cycling  
Implementation of transport infrastructure, particularly whether public transport infrastructure delivery is slower than delivery of road projects  
Traffic levels / congestion on main roads |
| Water quality and water resources      | Per capita water demand  
Implementation of water resource and wastewater management infrastructure  
Water quality, particularly in areas where this is of concern (e.g. Solent) |
Appendix 1 – Potential Eco-towns in the South East


Bordon-Whitehill (East Hampshire District Council)

Description
This is a large brown-field site in East Hampshire, adjoining Whitehill-Bordon to the west, on land vacated by the MoD, which will complete its withdrawal in 2012, leaving a significant amount of ex MoD housing. The local authority has a longstanding commitment to regeneration and renewal of the area and particularly to improve existing facilities. A wide range of stakeholders are involved in the scheme which is led by the Local Authority, the Voluntary and community sector, and environmental bodies in partnership.

Proposed benefits
A modern sustainable community of 5,500 homes with new town centre, employment opportunities and improved public transport. Housing Affordability Pressure – Very High. The increase in housing supply in this location would provide around 2,000 additional affordable homes. Recent average completions of affordable housing in this LA have been 100 annually over the last 3 years and the number of households on the waiting list – 2,700.

Initial summary of challenges and constraints
The location will need an innovative approach to create a cost effective high quality public transport service given the lack of rail access and a diffuse local development pattern and highway constraints. The capacity of the location to attract additional employment will be an important consideration. Environmental constraints include the need to ensure additional water resources can be provided given that the Water Resource Zone may not have the necessary headroom and ensure that local sewage treatment capacity is adequate. Flood management issues must be addressed. Remediation of contaminated land must be carried out sustainably. Appropriate mitigation measures must be implemented to protect important lowland heathland SPA sites and Shoreheath Common SSSI which borders the location.
Weston Otmoor (Cherwell District Council)

### Description

The site adjoins the M40 Motorway and the Oxford-Bicester railway around 3 miles SW of Bicester and 7 miles from Oxford. The total area is over 800 hectares of which around 130 has are currently in use as a grass airstrip. The southern edge of the site fringes the Oxford Green belt.

### Proposed benefits

The eco-town proposal is for a major scheme of 10-15,000 homes which would achieve exceptional standards of sustainability, particularly in relation to transport, while also relieving housing pressures in a sub-region with one of the most highly stressed housing markets in the south east and creating significant new business space. The proposal is based on a major package of investment in rail (including restoring services on the Oxford to Milton Keynes line) and other public transport, and would incorporate a major Park and ride facility adjoining the M40, combined with improvements to the A34/M40 junction and stringent controls on car access to/ from the site.

**Housing Affordability Pressure – Extreme.** Scheme would deliver 3-5,000 affordable housing units in comparison with current new build of affordable housing of 100 and 230 annually in relevant LA areas. Current households on housing waiting lists are around 3,400 in Cherwell and 3,965 in Oxford.

### Initial summary of challenges and constraints

**Environment** The scheme will need to ensure adequate protection for the WendlebyMeads and Mansmoor grassland SSSI on the southern boundary of the site, which is a nationally important unaltered lowland hay meadow and will need to be safeguarded against potential impacts for example, from increased use of the site for recreational purposes. Development must go ahead in a way that does not exacerbate flood risk. The main water issue is lack of local sewerage infrastructure – the scheme will need to provide for a major increase in current capacity. There is also a need to ensure that water resources can be provided sustainably given that the development is an area of "serious water stress". Possible need for remediation of former landfill sites within the site boundary.

**Transport** The scheme will need to demonstrate a robust, deliverable and viable set of transport options for this site. The options of major investment in Oxford – Milton Keynes East—West Rail Link (and new station), park & ride, tram system and free transport for residents on site and to Oxford will require major investment commitments and ongoing subsidy as well as strong controls on car use in and around the site.

**Employment** The site will generate significant new employment but it will be critical to ensure that the project directly benefits Bicester and the need for a stronger jobs-services-homes balance in the existing community.

**Conservation and historic constraints** Is in an area with historic landscape (Otmoor) and historic settlements – potential impacts would need to be managed.
Ford (Arun District Council)

Description

The 350 hectares site includes 110 acres of brownfield and a former airfield site close to Ford open prison and is served by rail to London and the Sussex coast route.

Proposed benefits

There are two proposals for this site – a strategic development area delivering 5,000 homes (40%) affordable; a 30 hectare economic hub; a major contribution towards the provision of necessary local infrastructure; site specific energy solutions utilising local resources (including major recycling facility); and relocated railway station and improved services to assist the regeneration of the Sussex coast.

**Housing Affordability Pressure – Very High.** Scheme would deliver around 1,500 affordable housing units in comparison with current delivery of 46 and 15 annually in 2005/06 and 2006/07 respectively in Arun. Current households on housing waiting list – 3,880.

Initial summary of challenges and constraints

**Environment** – The site includes areas in all 3 flood zones so built development will need to focus on Zone 1 and there will be a requirement for Flood Risk Assessment and application of the sequential test. The existing water abstraction point is currently ‘over-licensed’. Development phasing would be important. Potential impacts on local watercourses would need to be considered. Land contamination and possible impacts on groundwater would need to be assessed. Associated road infrastructure could impact on BAP habitats.

**Transport** The site would need to make good use of rail but the major issue is the relationship of the site to pressures on nearby trunk roads and particularly the A27. A robust programme of sustainable transport solutions will be required to minimise the impact of the development on both local and strategic road network.

**Employment** The site could generate significant employment through a science and technology park alongside existing uses including Ford open prison.

**Conservation and historic constraints** The site masterplan and approach to design will need to take account of major conservation features in the surrounding area including the river arun, the South Downs, listed buildings and historic settlements nearby.
Appendix 2 – Uncertainty in policy appraisal

A key consideration in assessing impact significance is the uncertainty associated with that assessment. Two key dimensions of uncertainty are:

- What magnitude of impact will the policy have?
- How certain is the policy to be implemented?

This is a particular issue when two policies potentially conflict: which policy has the greater magnitude? Which is more likely to be implemented?

The figure below summarises aspects of the South East region that have shown a clear improvement or deterioration over the last few years. Clearly the economic policies are proving to be effective, as are many input social and environmental policies (e.g. dwelling density, per capita water use), and those that reduce per capita environmental impacts. Aspects that are deteriorating over time seem to be on social outcomes (e.g. homeless households, accessible services) and total environmental impacts (e.g. waste generated, ecological footprint). Generally development policies (e.g. for housing and renewable energy) seem to be working better than protective policies (e.g. for air quality or biodiversity).

The reasons for these disparities are complex, and include:

- the strength of the policy wording (‘must’ vs. ‘seek’);
- whether the issue monitored and/or highlighted in the news;
- whether it is within the clear remit of regional and local authorities;
- whether funding mechanisms preferentially favour the less sustainable over the recommended more sustainable approach, e.g. government funding for roads v. rail improvements; and
- lifestyle and other trends, e.g. people wishing to fly abroad for holidays.

The clearest improvements seem to be single-dimension issues where local authorities have clearly defined remits (e.g. housing completions); clearest deterioration seem to be multi-dimensional issues where nobody has a clear remit (e.g. accessibility, ecological footprints). These points suggest that some of the policies of the RSS are more likely to be implemented than others. For example, the housing policies could be expected to be rolled out with more certainty than those on, say, green infrastructure, reducing the need to travel, or air quality.

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As such, we have generally assumed that the economic and development-oriented policies will be implemented; but have been more cautious in our assumptions about the remaining policies. We have assumed that policies that would carry on an existing trend will be implemented; but have been more cautious about policies that would go counter to existing trends.
Appendix 3 – HRA / AA recommendations beyond the RSS’s remit

During the HRA/AA of the draft RSS it was made clear that the RSS only had a limited remit to introduce avoidance or mitigation measures (or mechanisms that would facilitate and provide a framework for avoidance/mitigation) – namely those involving planning policy. It was also identified that measures outside of planning policy would also need parallel delivery by bodies other than the Secretary of State in order to ensure that during implementation of the development identified within the RSS adverse effects on European sites would not result. Leading on from this, the HRA/AA of the draft Proposed Changes identified a number of additional mechanisms and measures that would require implementation but were outside the remit of the Secretary of State or RSS. These are summarised by topic below. In her comments on the HRA/AA of the draft Proposed Changes the Secretary of State commented that she would as far as possible encourage the implementation and adoption of the measures within that Appendix.

<table>
<thead>
<tr>
<th>HRA/AA recommendation / comment</th>
<th>Response of Secretary of State</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recreational pressure</strong></td>
<td></td>
</tr>
<tr>
<td>The Secretary of State should assist with the funding of monitoring of the value of SANGS and ANG Standard greenspace provision, not just on the Thames Basin Heaths but elsewhere in the South East during at least the first five years.</td>
<td>It is noted that Scott Wilson consider these are issues which need to be addressed. GOSE will raise these with the appropriate Government departments.</td>
</tr>
<tr>
<td>The Secretary of State should discuss assistance with access management with the New Forest National Park Authority and managers of Ashdown Forest and provide financial assistance to aid this. If such stringent access management is deemed to be unacceptable by stakeholders in the National Park, it is difficult to see how impacts on the European site could otherwise be avoided without major revisions to housing, particularly since the New Forest attracts its visitors from such a large catchment area.</td>
<td></td>
</tr>
<tr>
<td><strong>Water resources</strong></td>
<td></td>
</tr>
<tr>
<td>The Secretary of State should work with Defra to encourage the water companies to include the Agency’s Review of Consents outcomes in their WRMP and Business Plans and to submit the appropriate schemes to Ofwat for PR09 funding.</td>
<td>It is noted that Scott Wilson consider these are issues which need to be addressed. GOSE will raise these with the appropriate Government departments.</td>
</tr>
<tr>
<td>The Secretary of State should push for the South East Region to be compulsorily metered by 2020 in areas designated in the WRSE report as being under ‘Serious water stress’. Water companies should be encouraged to include plans for compulsory metering in Water Resource Management Plans and PR09 business plan</td>
<td></td>
</tr>
</tbody>
</table>
submissions, as mentioned above.

<table>
<thead>
<tr>
<th>Air Quality</th>
<th>It is noted that Scott Wilson consider these are issues which need to be addressed. GOSE will raise these with the appropriate Government departments.</th>
</tr>
</thead>
</table>
| Promote improved management of European sites experiencing nutrient enrichment, possibly through financial incentives for environmentally sensitive management - only mentioned with regard to diffuse pollution. | }