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All our publications are available in alternative formats, such as large print or a language other than English. Please contact us on 01803 861234 or email forward.planning@southhams.gov.uk

1. Foreword

- 1.1 The Planning and Compulsory Purchase Act 2004 has introduced major changes to the way the planning policy system operates. The old system of Structure Plans, Local Plans and Supplementary Planning Guidance is replaced with a new system of Local Development Frameworks (LDFs).
- 1.2 South Hams District Council welcomes the new system and has already adopted the first part of its new planning framework for the area – the South Hams LDF Core Strategy. The South Hams LDF will be shorter and more focused than the Local Plan. It will be a portfolio of documents, with more scope for community involvement and a positive approach to sustainable development.
- 1.3 This document is the Preferred Options stage of the Affordable Housing Development Plan Document (AH DPD). It sets out the Council's objectives, policies and requirements for the provision of affordable housing on development sites. It is available direct from the Council or on the Council's website: www.southhams.gov.uk.
- 1.4 The Council has set a challenging timetable and aims to be amongst the first authorities to progress LDF documents under the new system. A project plan setting out the timetable for producing the AH DPD and other LDF documents is included in the approved Local Development Scheme.
- 1.5 The Council is determined to vigorously address local priorities, particularly the **delivery of affordable housing**. It has adopted the aim of; "improving the well-being of the people of the South Hams" and has set itself the following priorities:
 - Secure a supply of housing for local people at affordable levels.
 - Create the conditions for the growth and maintenance of quality economic activity.
 - Maintain the district's distinctive environment whilst enabling access and sensitive development.
 - Maintain a clean environment.
 - Work with others to improve access to key services.
 - Improve core service performance in a cost-effective way.
- 1.6 The South Hams LDF will reflect these priorities, particularly those with a spatial dimension.

- 1.7 We want to involve our communities and other interested parties to help shape the contents of the new development policy framework. The LDF includes a Statement of Community Involvement which establishes the minimum standard the Council will deliver in engaging people in the process. If you would like to make any comments about the Affordable Housing DPD please feel free to do so. Your views are important and the Council needs to receive them by **4pm on 24th August 2007**.
- 1.8 To help you structure your views, a response form and guidance note have been produced. Please relate your comments on the form to the nine Tests of Soundness¹. Copies of this document are available at the Council offices, in local libraries or via the Council's website. Completed forms should be sent to the Forward Planning team by post, fax or e-mail.
- **Post:** to the Forward Planning Team, South Hams District Council, Follaton House, Plymouth Road, Totnes, TQ9 5NE.
 - **Fax:** marked Forward Planning, Affordable Housing DPD Preferred Options Stage to 01803 861404.
 - **E-mail to:** forward.planning@southhams.gov.uk

All comments must be received by 4.00pm on 24th August 2007.

¹ More details on the nine Tests of Soundness are available in the Planning Inspectorate document 'Development Plans Examination – A Guide to the Process of Assessing the Soundness of Development Plan Documents' at www.planning-inspectorate.gov.uk

2. The New Planning System

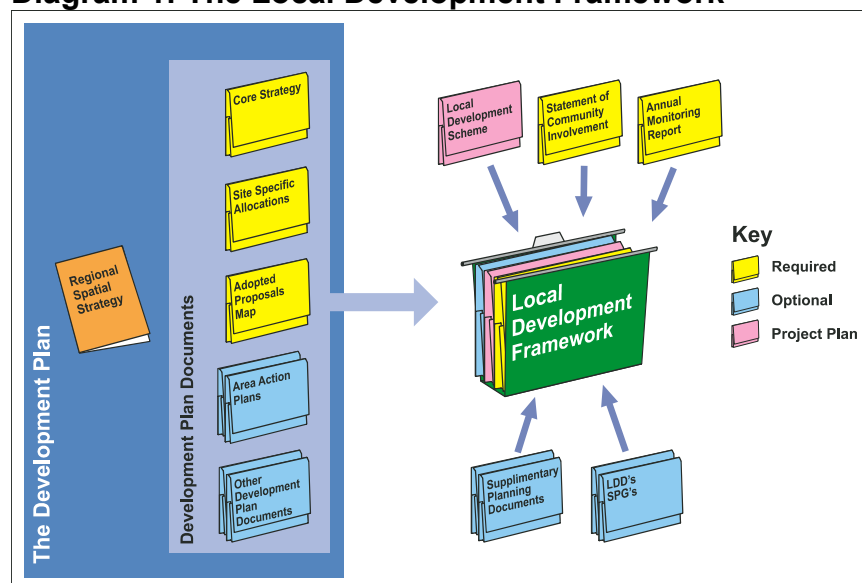
2.1 The Planning and Compulsory Purchase Act 2004 requires local planning authorities to produce a Local Development Framework (LDF) for their area. LDFs must contain clear up to date spatial planning frameworks to enable efficient delivery of new development, especially housing. They are a major plank of the Government's reform programme and objectives for culture change in planning, particularly building around three themes:

- Sustainable Development (which is the underlying purpose of the planning system);
- A Spatial Planning approach (which deals with not only the use of land, but also the activities on it); and
- Community Involvement in planning.

2.2 Planning shapes places where people live and work and has a critical role to play in achieving balanced housing markets and sustainable improvements in the economic performance of an area. It should make places better for people and positively manage rather than simply control the development. The South Hams LDF will aim to deliver these objectives.

2.3 An LDF comprises a portfolio of documents that together set out the planning policies and proposals for the area (see figure 1). It will include a Core Strategy, Development Control Core Policies (DCCP), site specific allocations, Area Action Plans (where needed), a Proposals Map and a Statement of Community Involvement (SCI). More detailed guidance will be contained in documents known as Supplementary Planning Documents (SPD).

Diagram 1: The Local Development Framework



- 2.4 The new planning system introduces many new acronyms and planning terms. In addition the DCCP refers to many technical planning terms. A **glossary of planning terms** has therefore been provided at the back of this document at Appendix 1.
- 2.5 The wider context for planning in the South Hams is set by national, regional and county guidance. At national level, Planning Policy Statements (PPSs) are replacing Planning Policy Guidance Notes (PPGs). These are available on the Department for Communities and Local Government website www.communities.gov.uk. At regional level, guidance to 2016 (RPG10) was approved in September 2001 and will be replaced by a new regional plan called a Regional Spatial Strategy (RSS). The RSS is being prepared by the South West Regional Assembly (as the Regional Planning Body) and will have a horizon to 2026. The preparation of the RSS has been informed by a number of sub-regional studies, including those for the Plymouth and Torbay sub regions, which are relevant for the South Hams. The submission version of the RSS was published for consultation in June 2006, is currently going through its Examination and is due to be adopted in 2008. The RSS documents are available at www.southwest-ra.gov.uk. At county level, the Devon Structure Plan sets the strategy for Devon to 2016. Structure Plans have been abolished under the new Act, but the Devon Structure Plan will be saved for three years from adoption (October 2004) or until replaced by the new RSS.
- 2.6 The Development Plan for the South Hams will ultimately consist of the RSS and the South Hams LDF.
- 2.7 The South Hams Local Plan (1989-2001) was adopted in April 1996. Although it had a 2001 horizon, its policies are still relevant to planning in the South Hams today and are “saved” under the provision of the new Planning Act for a period of three years from September 2004 (with the scope to extend this period further) unless they are replaced before then by parts of the LDF.
- 2.8 The South Hams Local Plan Review (1995-2011) was published in January 2002. The representations received in response to the plan, comments made at subsequent meetings, and background research carried out, will all be used to help inform the preparation of the LDF.
- 2.9 The South Hams planning documents can be found on the Council website: www.southhams.gov.uk or can be obtained from the Council offices at Follaton House, Plymouth Road, Totnes, Devon, TQ9 5NE.

3. The Role of the Affordable Housing Development Plan Document

The Vision

3.1 The LDF Core Strategy was adopted in December 2006 and establishes the overall vision for the South Hams LDF. The first five aims of the vision are very relevant to the Affordable Housing Development Plan Document (AH DPD) and are as follows:-

- Meeting communities' needs locally
- Securing sustainable development
- Promoting the regeneration of market towns and villages and rural diversification
- Prioritising developments for affordable homes and new jobs
- Protecting and enhancing the area's precious environmental heritage

The provision of affordable housing to help meet the needs of local people is the Council's top corporate priority and is also a key theme of the Sustainable Community Strategy. Achieving these aims will contribute toward a balanced housing market in the district.

The specific vision of the AH DPD is therefore:

To secure a supply of housing for local people at affordable levels

Links with the Core Strategy

3.2 The Core Strategy, the overarching strategic document of the South Hams LDF, sets out the key elements of the planning framework for the district (apart from the area that lies within the Dartmoor National Park, which will be covered by the Dartmoor LDF). The Submission version of the Core Strategy was published in January 2006, an Examination was held in July 2006 and the Council resolved to adopt the Core Strategy in December 2006.

3.3 The AH DPD is a key document in the South Hams LDF portfolio and builds on the strategic content of the Core Strategy, providing more detailed policy advice on affordable housing policies for the use in determining planning applications district wide.

Previous Consultations

3.4 In October 2004 the Council published an Issues and Options document which looked at policy issues and the Core Strategy together. This identified four general policy themes under the headings 'affordable housing', 'employment and skills', 'accessible services, supporting active and caring communities' and 'distinctive environment'. It also identified other important policy issues such as climate change and renewable energy. A questionnaire prepared with

Marketing Means was used to gauge public opinion on these key policy areas. The results of this exercise have helped shape this document (and are part of the LDF evidence base). Earlier work undertaken in association with the 2002 Local Plan Review and the LDF Core Strategy, including the results of public consultations on these documents, has also helped to inform the AH DPD document. Feedback from this Preferred Options consultation will inform the Submission stage document, due to be published at the end of 2007, with the Examination anticipated during mid 2008.

Policy context for the Affordable Housing Policies DPD

- 3.5 General advice on the scope and content of LDF policy documents is contained in PPS 12: 'Local Development Frameworks'. It states that the LDF should contain a limited suite of policies which should be clear, succinct and easily understood. Such policies will ensure that development accords with the spatial vision and objectives set out in the Core Strategy. It advises that local planning authorities should avoid producing a compendium of use-related development control policies which can be repetitive and quickly become out-of-date. The focus, instead, should be on topic-related policies such as protecting landscape and natural resources, nature conservation, addressing accessibility, highway and transport issues, design, etc. Affordable housing policies are a key topic in the South Hams context.
- 3.6 Planning Policy Statement 3 Housing was published in December 2006. It sets out the Government's vision, objectives and policies in relation to housing provision and delivery. The principal aim of PPS3 is to increase housing delivery through a more responsive approach to local land supply, supporting the Government's goal 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.
- 3.7 In order to deliver Affordable and Market Housing, PPS3 specifies that Local Development Documents should seek to meet the needs and demand for housing in their area by:
- Setting out proportions of households requiring market and affordable housing.
 - Specifying the likely profile of household types requiring market housing.
 - Including a plan wide target for affordable housing, taking account of need and availability of finance.
 - Setting separate targets for social rented and intermediate housing where appropriate.
 - Specify the size and type of affordable housing needed.
 - Setting out the circumstances where affordable housing is required, taking account of the national indicative minimum threshold of 15 dwellings, setting lower thresholds where viable and practicable such as in rural areas.
 - Describing the approach to seeking developer contributions to affordable housing, on and off-site.

- Considering allocating and releasing “exceptions sites” for affordable housing in rural settlements, to be retained in perpetuity and meet the needs of households with a local connection.
- 3.8 PPS3 also includes a new definition of affordable housing which includes social rented housing and intermediate housing, but excludes low cost market housing (Annex B of PPS3 sets out the new planning definitions in full).
- 3.9 The AH DPD draws on other strategies that have implications for the development and use of land. At the strategic planning level, these include the Regional Spatial Strategy and (in the short term) the Devon Structure Plan.
- 3.10 The emerging RSS requires that of the 23,060 dwellings per annum to be provided in the South West region to 2026, at least 7,500 per annum of these should be affordable houses. The RSS also requires that provision be made for at least 30% of all housing developments annually to be affordable, with authorities specifying rates up to 60% or higher in areas of greatest need. This sets an important context for the AH DPD.
- 3.11 At the local level the Sustainable Community Strategy also help set the context for the AHDPD. The South Hams Strategic Partnership’s Sustainable Community Strategy 2007-2011 has the provision of affordable housing as one of its four key themes. The four distinct themes are:-
- Affordable homes;
 - Competitive local economy;
 - Community vibrancy; and
 - Quality built and natural environment
- 3.12 The AH DPD also takes account of other relevant strategies such as the Council’s Housing Strategy and those of the education authorities. The AH DPD also needs to be in conformity with the Core Strategy. Therefore, it will form part of a detailed implementation of these strategies. The development of a joined-up set of strategies and policies for local action is a key objective of the new planning system and the AH DPD forms an integral part of this approach.
- 3.13 Strategic objectives for the AH DPD are set out in the next section of this document. The purpose of the objectives is to set sustainable development aims for the policies in this document. The performance of policies will also be measured against these objectives to provide a framework for monitoring and evaluation. The relevant strategic objectives are clearly linked to each policy throughout the document.
- 3.14 After each policy, a brief section outlines the alternative options that were considered in formulating the policy, justifying the approach each policy takes. This document concludes with sections on the Monitoring Framework, the Sustainability Appraisal, and how consultation and community involvement will shape the process.

4. Objectives

- 4.1 The vision for the AH DPD is underpinned by a range of strategic objectives. These objectives are set out in the overarching LDF document – the Core Strategy – and the AH DPD needs to show clear conformity to, and consistency with, these objectives. This section sets out those objectives specifically applicable to the AH DPD planning framework.

Housing

- 4.2 The strategic objectives in relation to housing are to:

SO1: *Ensure that the current and future housing needs of the community are met;*

SO2: *Provide affordable housing to meet local needs;*

SO3: *Secure high quality, locally distinctive, sustainable housing developments which provide good quality living environments;*

SO4: *Promote mixed use, mixed type, mixed tenure schemes that promote socially balanced communities; and*

SO5: *Provide for housing at the highest densities suitable for the site.*

- 4.3 The South Hams experiences a wide range of housing pressures. The Council's top priority is to secure a supply of housing for local people at affordable levels and it has adopted challenging targets to try to address the problem and balance the housing market. That is the key objective of the document. It also seeks to meet these objectives by strongly encouraging the efficient use of land. Developments should be locally distinctive, sustainable, respect townscape and landscape character and be of a high quality. In appropriate locations, high quality contemporary design will be welcome. Mixed use schemes will be encouraged to provide a range of housing opportunities seeking to create mixed and socially balanced communities.
- 4.4 The policies set out in the following sections of the document provide the means to deliver these objectives.

5. Housing Need and Affordability

- 5.1 The provision of affordable housing to help meet the needs of local people is the Council's top corporate priority and is a key theme of the Sustainable Community Strategy and the Housing Strategy. The LDF will aim to provide homes to respond to the scale of and broadly in accordance with the pattern of local housing need.
- 5.2 Housing need and affordability in the South Hams are assessed with reference to the following ;
- **Housing Register Data.**
The Council's Housing Register provides detailed information on the housing requirements of individuals and households across the district. The vast majority of those in need however are not registered. Whilst the register data is extremely important it does not represent the full extent of need across the district.
 - **Housing Market and Needs Assessment (HMNA).**
Housing Market and Needs Assessments are undertaken in accordance with government guidance and provide detailed information on current and future housing needs across all tenures.
 - **Parish Housing Needs Surveys**
Parish Needs Surveys are usually undertaken in conjunction with the Rural Housing Enabler and Parish Council's. These surveys provide specific information on housing need within rural communities.
 - **Local Income / Price Data**
Whilst the HMNA provides detailed information on the relationship between local incomes and housing costs, local information is also monitored on a regular basis and is used to assess affordability on a district wide and site by site basis.
- 5.3 The most recent assessment of housing need, the Housing Market and Needs Assessment (HMNA), was undertaken by David Couttie Associates in 2006. The HMNA covers all housing tenures and was completed in partnership with a range of stakeholders, including house builders. The study provides detailed information on housing need on a district wide and sub regional basis across the Plymouth sub region.
- 5.4 The 2006 HMNA shows the scale and severity of the problem continues to grow. In 2002 there was a need to build 330 affordable homes a year in order to address the backlog and newly arising need (based on the 1998 Housing Needs Survey and its 2002 update). By 2006 that figure had risen to over 600 affordable homes a year, almost twice the amount and far in excess of the area's strategic housing provisions as set out in the Regional Spatial Strategy. The problems are compounded by the severity of the local South Hams house price /

wage ratio, which is exceeded only in the very heart of London. Furthermore, the proportion of the housing stock which is second homes (almost 12% at the 2001 Census) is second only to the Isles of Scilly, and the figure rises to over 40% in some coastal parishes including Salcombe and over 50% in East Portlemouth. All of these findings place South Hams at the most extreme levels of need.

- 5.5 A further key finding of the HMNA has been the level of outward migration caused by a lack of affordable housing. Almost 600 households planned to leave the district within a three year period due to a lack of affordable housing.
- 5.6 In order to address and respond to the significant levels of housing need strategically, the Council considers the district to represent a single housing market area within the wider Plymouth sub region. The term local housing need therefore refers to housing need across the South Hams district.

6. Development Principles & Mix of Housing

Housing Mix and Tenure

- 6.1 A key objective of the affordable housing policy is to address imbalances in the housing market and ensure sustainable mixed communities.
- 6.2 The mix of housing tenures provided on sites should be consistent with district wide strategic targets as set out below. Schemes will however be considered on a site by site basis having regard to local circumstances, viability and strategic housing need across the district and wider sub region.
- 6.3 Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market.
- 6.4 Affordable housing should:
- meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices; and
 - include provisions for:
 - (i) the home to be retained for future eligible households; *or*
 - (ii) if these restrictions are lifted, for any subsidy to be recycled for alternative affordable housing provision.
- 6.5 The following tenures are classed as affordable housing;

Social Rented Housing

- 6.6 **Social rented** housing is rented housing owned and managed by local authorities and RSL's, for which guideline target rents are determined through the national rent regime. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant.
- 6.7 Policy AH1 below sets a target for 60% of all affordable housing across the district to be provided as social rented housing.
- 6.8 The target reflects the findings of the HMNA which suggest that the majority of new affordable housing supply should be social rented. It also takes account of regional priorities set out in the Regional Housing Strategy which sets a target of 70% of new affordable housing to be social rented.

Intermediate Housing

6.9 **Intermediate affordable housing** is housing at prices and rents above those of social rent but below market prices or rents, and which meet the criteria set out in the affordable housing definition above. This can include;

- **Sub-market / Intermediate Rent** is housing which is made available on the same basis as social rented housing but at a rent above the Housing Corporation target rents but below market rental values. Sub market rent levels should not exceed 80% of the prevailing market rents.
- **Shared equity** housing is where more than one party has an interest in the value of the home e.g. an equity loan arrangement or a shared ownership lease. There may be a charge on the loan, and restrictions on price, access and resale
- **Shared ownership** is a form of shared equity under which the purchaser buys an initial share in a home from a housing provider, who retains the remainder and may charge a rent. The purchaser may buy additional shares ('staircasing'), and this payment should be 'recycled' for more affordable housing. In most cases, a purchaser may buy the final share ('staircase out') and own the whole home, though this may be restricted in some rural areas
- **Discounted sale** homes are provided at a discount on the market value. The purchaser buys the whole home at a reduced rate.

6.10 Policy AH1 below sets a target of 40% of all affordable housing to be provided as a range of intermediate tenures. The specific form of intermediate provision will be determined on a site by site basis taking account of affordability, local circumstances and other factors including district wide strategic housing priorities.

6.11 Homes of any of these types should only be considered intermediate affordable housing if they meet the criteria set out in the definition of affordable housing. If they do not, even if offered at less than market price, they should be considered 'low cost **market** housing', and therefore outside the definition of affordable housing.

Open Market

6.12 The proportion of market housing across the district takes account of levels of need identified within the Housing Market and Needs Assessment (HMNA) and is balanced against the need to provide affordable housing and sustainable communities.

6.13 Development Principles

All policies in the Affordable Housing DPD and the rest of the LDF are inter-dependent of one another and must be read alongside each other, particularly the policies of the adopted Core Strategy. Development proposals will also be subject to the emerging Regional Spatial Strategy 2006-2026 produced by the South West Regional Assembly expected to be adopted in 2008. In the interim the Devon Structure Plan 2001-2016 and Regional Planning Guidance for the South West (RPG 10) will apply. This is in addition to national guidance and policies. When the AH DPD policies are adopted they will replace those relevant policies in the 1996 South Hams Local Plan Part 1: General Policies.

In considering any development proposal, the Council will look at all relevant planning issues. Decisions will be made in accordance with the development plan unless any other material considerations outweigh its provisions. This may rarely lead to consent being refused for development which might seem to accord with the policies in this plan. This may be because national or regional policies have changed and over-ride local considerations, because of the relationship of the proposed development to adjoining areas, because of infrastructure considerations, or because of other detailed issues.

Detailed planning issues include the effect on local distinctiveness, landscape character, setting, biodiversity, accessibility, traffic movement, road safety, parking provision, drainage, slope and configuration of a site, neighbouring properties, local amenity in general and any undue public expenditure that might arise from the proposal. Design, local distinctiveness and landscape character are particularly important considerations in designated landscapes, Conservation Areas and in relation to Listed Buildings.

7. Affordable Housing Policies

- 7.1 The provision of all new housing, including affordable housing, will need to accord with other relevant policies in the LDF, particularly the overarching policy on affordable housing in the Core Strategy and relevant policies in the Development Control Core Policies DPD including those on good design, density, sustainable construction, and the efficient use of land. The Council will be open to innovative approaches to the provision of Affordable Housing, self-build, co-housing, community land trusts and other initiatives.

Allocating sites for Affordable Housing

- 7.2 The Council will require that a high percentage of houses provided on sites proposed in the LDF will be affordable to help address the severe levels of need. The context is set in the Core Strategy, with a housing provision which exceeds the district's strategic allocation in order to provide as much affordable housing as possible. Policy CS6: 'Affordable Housing' sets out that new residential development should provide affordable housing consistent with the overall strategic target of 50% from all sources.
- 7.3 In determining the levels of affordable housing to be provided, the Council and its partners will pay particular attention to the viability of development and to social issues. The aspiration is to create balanced, mixed communities with a full range of support infrastructure in phase with development. However, in order to address the scale of need, each site will be expected to deliver as much affordable housing as can be made viable, with site specific targets generally in excess of 50% for allocated sites. These targets will be set out in the area-based development plan documents.

Windfall Sites

- 7.4 Many houses will be developed on sites not specifically proposed in the LDF – 'unplanned' or 'windfall' sites. The Council considers that these must also make a significant contribution towards the provision of affordable housing.
- 7.5 When considering how a site relates to the set thresholds, the Council will assess the potential capacity and appropriate density for development of the whole site, rather than looking only at the proposal submitted. It will be alert to any attempts to deliberately circumvent the site size thresholds. For example,
- Where the splitting up of a site would result in two or more adjacent sites which individually fall below the thresholds, the Council will treat them as one site for the purposes of the policy.

- Where a proposal is for a lower density than appropriate, the Council will treat the site according to its development potential.
- However, in relation to barn conversions, the capacity of the site will need to be weighed carefully against the characteristics of the barn and its surroundings and wider sustainability factors such as, location, access and how the development relates to landscape character.

7.6 On unallocated sites, on-site provision will be expected for sites with the capacity for more than 5 dwellings. On development sites of 5 dwellings or less, developers will nevertheless be encouraged to provide an element of affordable housing on site. This will be assessed by the Council, and discussed with developers on a site by site basis. The Council considers that any site which is suitable for housing development will be suitable to provide affordable housing on site. The presumption will be, therefore, that provision of affordable housing should be made on the development site itself. Only in exceptional circumstances will an alternative to on-site provision be appropriate. The required level of on and off-site contribution will be set out in the Supplementary Planning Document on Affordable Housing.

7.7 AH1: Affordable Housing Provision

1. All housing or mixed use development sites with a capacity for 2 dwellings or more, both allocated and unallocated, shall contribute towards meeting the Core Strategy target of 50% affordable housing from all sources, having appropriate regard to the:
 - identified local need;
 - nature and scale of the location and the development proposed;
 - characteristics of the site; and
 - economics of provision.
2. On allocated sites, in order to address the scale of need, each site will be expected to deliver as much affordable housing as is deliverable, with site specific targets generally in excess of 50%.
3. On unallocated sites, on-site provision will be expected for sites with the capacity for more than 5 dwellings.
4. In order to deliver mixed, balanced, sustainable communities:
 - affordable housing will be integrated with market housing; and
 - the strategic target should be 60% social rented and 40% intermediate affordable housing across the district (excluding Sherford), with the site specific split in each case determined with regard to local circumstances.

Exceptionally and where justified by local circumstances, the full affordable housing obligation may be met in part or wholly off site. Such off site contributions will be secured through a planning obligation.

5. Planning permission will be subject to a planning obligation to ensure that the affordable housing (social rented and intermediate affordable) will remain available in perpetuity to meet local housing needs
6. Permitted development rights will be removed from the affordable homes so that the local planning authority will be able to exercise control over the enlargement and alteration of the houses.

Summary of Options

- 7.8 **More restrictive policy**
A more restrictive policy involving higher targets or lower thresholds for affordable housing could threaten viability and could reduce the deliverability of sites thereby risking reducing the numbers of new affordable homes built.
- 7.9 **Less restrictive policy**
A less restrictive policy involving lower targets or higher thresholds could encourage more housing developments overall but with a reduced proportion of affordable homes and a possible reduction in the total number of new affordable homes built.

Rural Exception Sites

- 7.10 An objective of the Exception Sites Policy is to provide flexibility within the planning system to enable housing to be delivered in response to clearly identified local need.
- 7.11 'Exception Sites' are another means of potentially delivering affordable housing, provided for through national policy. Such developments must relate to rural communities and be on sites where development is strictly controlled and new-build housing would not normally be permitted. Such development is therefore an 'exception' to policy and is relatively uncommon.
- 7.12 Exception sites must be in scale and keeping with the community they adjoin, and the facilities available in the area. They are therefore generally small scale. Whenever an exception site is proposed for development, the Council must judge whether it is the most suitable possible "exception site" which might meet the identified local housing need.
- 7.13 Exception sites must meet local needs, and in this context, the Council will take "local" to mean the parish and adjoining parishes when judging the level of need for a development. The allocation of new affordable homes will be on a sequential basis, starting with the parish and adjoining parishes. Government guidance also requires exception sites shall not include open-market houses and that 100% of houses must be affordable and remain so in perpetuity.
- 7.14 Historically, a few exception site schemes have been built across the South Hams, but they have not come forward in anything approaching sufficient numbers to provide for the high level of need that exists. A strategic, plan led approach will be essential to seriously address the scale of need. However, exception sites remain a useful avenue towards the provision of some small-scale local affordable housing schemes.

7.15 **AH2: Rural Exception Sites**

1. Permission will be granted for exception sites in rural communities where the development will:-
 - a. solely comprise affordable homes and no open market housing;
 - b. meet a clearly identified need for affordable housing in the local community;
 - c. be in scale and keeping with the form and character of the community; and
 - d. be well related to community services and facilities.
2. In all cases planning permission will be subject to a planning condition or obligation to ensure that the affordable housing will remain available in perpetuity to meet local housing needs. Permitted development rights will be removed so that the local planning authority will be able to exercise control over any enlargements or alterations.

Summary of Options

7.16 **More restrictive policy**

A more restrictive policy would be inconsistent with national policy guidance and could reduce the scope to bring forward 100% affordable housing schemes in rural areas.

7.17 **Less restrictive policy**

A less restrictive policy would also be inconsistent with national policy guidance. It could increase the scope to bring forward 100% affordable housing schemes in rural areas but could result in developments harmful to the character of rural communities.

8. Viability Issues

- 8.1 On certain sites development viability may be affected by a range or combination of factors such as high abnormal costs and/or competing or existing use values.
- 8.2 Developers and landowners are expected to consider the overall cost of development, including the required planning obligations and any abnormal costs, prior to negotiating the sale or purchase of land or the acquisition or sale of an option. Early consultation with the Council on such requirements is therefore encouraged.
- 8.3 Where there are a range of high abnormal costs, for instance on heavily contaminated or difficult to develop land, or where development viability is affected by other factors, the Council may, in exceptional circumstances, consider a reduction in the level of affordable housing.
- 8.4 Where development viability is considered to be affected, the developer should identify these issues and associated costs and submit detailed information to the Council at the earliest opportunity. An assessment of the development viability will be undertaken by the Council or an independent Valuer. This assessment will include a thorough appraisal of the site economics and will require co-operation and an open book approach between the Developer or landowner and the Council.
- 8.5 A reduction in the level of affordable housing will only be considered in circumstances where development viability is proven to be affected to a critical point by the provision of affordable housing.

9. Monitoring and Implementation Framework

- 9.1 Review and monitoring is becoming an increasingly important aspect of evidence based policy making and it is a key factor of the Government's "plan, monitor and manage" approach to the new planning system. An important aspect of the new system is the flexibility to update components of the LDF to reflect changing circumstances. The ability to produce various local development documents will allow the Council to respond quickly to changing priorities in the district. Monitoring will play a critical part in identifying these. The findings of monitoring will feed directly into any review of policy that may be required. Part of the test of soundness of the AH DPD will be whether it includes clear mechanisms for implementation and monitoring.
- 9.2 The Planning and Compulsory Purchase Act 2004 requires local planning authorities to produce an Annual Monitoring Report (AMR) every year which will form part of the LDF and will be the main mechanism for assessing the AH DPD performance and effects. It must be based on the period 1 April to 31 March and be submitted to the Secretary of State no later than the end of the following December. AMRs are required to assess the following:
- the implementation of the Local Development Scheme, and
 - the extent to which policies in local development documents are being successfully implemented.
- 9.3 The Council has developed a framework for monitoring the AH DPD so that it can assess the extent to which the strategy, vision and strategic objectives are being achieved. This framework includes a series of indicators and targets which will be used to assess the extent to which policies in the AH DPD are being implemented and, where this is failing, explain why and set out what steps are to be taken to ensure that policy is implemented or whether the policy is to be amended or replaced because it is not working as intended. These are set out in Appendix 1.
- 9.4 The overarching monitoring framework is set out in the Council's 2006 AMR and is available on its website. Monitoring should also be undertaken to identify any significant effects that implementation of the policies in the AH DPD is having on the delivery of sustainable development, and to determine whether policies need to be amended or replaced. The outcome of this monitoring will be provided in the AMR.
- 9.5 To measure the performance of the AH DPD, the Council has used the strategic objectives and related policies to guide the selection of meaningful indicators and targets as a means of ensuring effective policy implementation, monitoring and review. Targets and indicators have been set for each strategic objective to allow their direct effects to be monitored. The performance of policies will also be monitored in terms of their performance against the objectives and targets included in the sustainability appraisal to assess the strategy's contribution towards sustainable development.

- 9.6 Implementation of the policies contained in the AH DPD will require concerted action by a range of public, private and voluntary sector bodies working in partnership. The Council has neither the powers nor the resources to implement the AH DPP alone. The document's role is to provide a clear and robust framework for development in order that investment and action can be co-ordinated and geared to efficient and effective delivery.
- 9.7 The LDF's Local Development Scheme (LDS) will also play a crucial role in implementing the policies and proposals in the AH DPD. This project management tool sets out the programme for producing the raft of other general and area specific LDF documents that will follow the AH DPD. In doing so the LDS can ensure that the policies and proposals of the AH DPD are implemented in such a way that ensures areas of greatest priority and need are tackled first. This co-ordinated approach will help to secure implementation and timely delivery of the Core Strategies objectives.
- 9.8 In the short term, whilst the preparation of local development documents can be monitored, the assessment of AH DPD implementation will be more complex. It may be some time before the AH DPD begins to have tangible benefits within the district that can be measured.

10. Sustainability Appraisal

Sustainability Appraisal Report

- 10.1 Local authorities are required to undertake a Sustainability Appraisal (SA) during the preparation of local development documents. This is to ensure that sustainable development is at the heart of decisions at every stage of plan-making and is an integral part of the process. The AH DPD has been subject to initial and detailed SA to appraise the social, environmental and economic effects of the strategy to ensure that it accords with sustainable development. The SA incorporates the requirements of Strategic Environmental Assessment (SEA) in accordance with European UK legislation. (EU directive 2001/42/EC on the assessment of the effects of certain plans and programmes and Environmental assessment of Plans and Programmes Regulations 2004 (SI No 16330) respectively).
- 10.2 The SA is an iterative, ongoing process and is integral to the preparation of the strategy. It has considered the effects of the emerging AH DPD on the environment and other aspects for sustainability. Many of these initial findings have been incorporated into the AH DPD. Included amongst these are changes (to be completed) Overall, these changes have significantly enhanced the sustainability credentials of the AH DPD.
- 10.3 A Sustainability Report accompanies the AH DPD. This report documents the SA and SEA process and findings, and explained in greater detail the difference the SA process has made.

SA Monitoring

- 10.4 The performance of policies and objectives in this document should also be monitored in terms of their performance against the objectives and targets included in the sustainability appraisal to assess the strategy's contribution towards sustainable development. This should be used to determine whether policies and objectives need to be amended or replaced if adverse effects are identified. The outcome of this monitoring will be provided in the AMR.

Habitats Regulations Assessment

- 10.5 The AH DPD has been subject to a detailed assessment relating to the Habitats Regulations. A draft of this assessment is available as part of the LDF evidence base and will be completed as required ahead of adoption of this DPD.

11. Consultation and Community Involvement

Statement of Consultation and Involvement on the Core Strategy

- 11.1 The AH DPD has been prepared in accordance with the requirements of the Planning and Compulsory Purchase Act 2004 and relevant national policies and guidance. The AH DPD has met the Statement of Community Involvement (SCI) requirements relating to public consultation. It has already been through a major stage of preparation subject to a six week consultation period: the LDF Issues and Options stage in October-November 2004. At this stage a copy of the document was sent to a broad spectrum of organisations including the Government Office for the South West, the South West Regional Assembly, adjoining local authorities and town and parish councils.
- 11.2 Statutory organisations and all community and interest groups detailed in the SCI were consulted and views sought throughout the process. A large number of organisations were also invited to participate in a series of events, including focused workshops, open days, and seminars in addition to submitting response forms. The strategy document and response forms were publicly advertised in local newspapers and through press releases were made available on the Council's website, at the Council offices and at libraries across the district.
- 11.3 Summaries of the representations received at the Issues and Options stage will be made available on the Council's website. Statements of consultation will be prepared to provide an audit of each consultation period. They will document who has been consulted, how the consultation was undertaken, the main issues raised and how these issues have been addressed in subsequent stages of the document.

APPENDIX 1

Monitoring Framework

| Affordable Housing Policies | Strategic Objectives | Indicator | Target |
|--|-------------------------|--|---|
| AH1: Affordable Housing Provision | | | |
| Criteria 1 | SO1, SO2, SO3, SO4, SO5 | <p>Supply of affordable housing by scheme As a percentage and broken down by Plymouth PUA, Area Centres, Local Centres and elsewhere in the District.</p> <p>Monitoring of delivery through housing land availability, housing completions and site by site progress updates in the AMR.</p> | Deliver 50% of all new dwellings as affordable homes. |
| Criteria 2 | | <p>Affordable housing targets, as a percentage, for allocated sites on a site by site basis.</p> <p>Monitoring of delivery through housing land availability, housing completions and site by site progress updates in the AMR.</p> | Each allocated site to deliver the maximum amount of affordable housing appropriate to that site. Targets for all sites generally in excess of 50% (unless clearly demonstrated housing need, site constraints and/or viability considerations indicate otherwise). |
| Criteria 3 | | <p>Proportion of Affordable Housing Units provided on or off site on schemes of five or more units.</p> <p>Monitoring of delivery through housing land availability, housing completions and site by site progress updates in the AMR.</p> | Affordable Housing to be provided on-site for all schemes of 5 or more dwellings unless clearly demonstrated housing need, site constraints and/or viability considerations indicate otherwise. |

| Affordable Housing Policies | Strategic Objectives | Indicator | Target |
|-----------------------------------|-------------------------|--|---|
| Criteria 4 | | <p>Proportion of Affordable Housing delivered by tenure in Plymouth PUA, Area Centres, Local Centres and elsewhere in the District.</p> <p>Monitoring of delivery through housing land availability, housing completions and site by site progress updates in the AMR.</p> | Deliver a strategic target of 60% rented and 40% intermediate across the district (excluding Sherford new community) |
| Criteria 5 | | <p>Proportion of Section 106 agreements that include provisions for houses to remain affordable in perpetuity and/or the recycling of any affordable housing grant/subsidy/discount.</p> | All affordable housing permitted to include measures to secure affordability in perpetuity |
| Criteria 6 | | Proportion of affordable homes where permitted development were removed. | Permitted development rights removed from all affordable homes. |
| AH2: Rural Exception Sites | | | |
| Criteria 1 | SO1, SO2, SO3, SO4, SO5 | <p>Number of affordable homes permitted on exception, site by site, and in total.</p> <p>Monitoring of delivery through housing land availability, housing completions and site by site progress updates in the AMR.</p> | Affordable housing on exceptions sites to be permitted only where there is clearly demonstrated housing need and community support for a scheme of appropriate scale and form on a well-related site. |
| Criteria 2 | | Proportion of affordable homes where permitted development were removed. | Permitted development rights removed from all affordable homes. |

Glossary of Terms

APPENDIX 2

| Acronym | Term | Explanation |
|---------|--------------------|--|
| | Amenity | Element(s) that contribute to the overall character, enjoyment of an area. For example, open space, trees or historic buildings. |
| | Affordable Housing | <p>“Affordable Housing” is the accepted national terminology for housing which provides for the needs of local people within the district who cannot afford to buy or rent on the unrestricted open market. It is defined in the Core Strategy as housing that is provided with subsidy, both for rent and intermediate housing, for people who are unable to resolve their housing requirement in the local private sector housing market because of the relationship between housing costs and incomes. Since the adoption of PPS3, the Councils definition of affordable housing has aligned with the PPS3 definition as follows</p> <p>“Affordable housing should:</p> <ul style="list-style-type: none"> – meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices; and – include provisions for: <ul style="list-style-type: none"> (i) the home to be retained for future eligible households; <i>or</i> (ii) if these restrictions are lifted, for any subsidy to be recycled for alternative affordable housing provision.” |
| AC | Area Centre | Settlements that function as focal points for the sustainable provision of local housing and employment opportunities, education facilities and other local services. They should be accessible to the communities they serve and well related to public transport and the strategic road network. |
| | Change of Use | A change in the way that land or buildings are used through the appropriate ‘use class’. For example, from business use to residential use. A change in use within the same ‘use class’ does not need planning permission, but a change to a different use class usually does. |

| Acronym | Term | Explanation |
|---------|--|---|
| | Climate Change | Significant change over time in global, national and local climate, primarily as a result of man-made greenhouse gas emissions. Previously, climate change has been used synonymously with the term global warming; scientists now, however, tend to use the term in the wider sense to also include natural changes in climate. |
| | Community Strategy | A strategy prepared by a local authority and its partners to improve local quality of life and aspirations, under the Local Government Act 2000. |
| DCLG | Department of Communities and Local Government | Central Government department responsible for several functions including planning |
| | Development Boundary | A firm limit around a town or village within which development is acceptable in principal. |
| | Devon Structure Plan Authorities | Devon County Council, Plymouth City Council, Torbay Council and Dartmoor National Park Authority. |
| | Devon Structure Plan 2001 to 2016 | The Structure Plan sets out the strategic planning framework for the development and use of land within Devon. It can be viewed at www.devon.gov.uk . As part of the new planning system, all Structure Plans will be abolished, and will be replaced by Regional Spatial Strategies (RSS). The Devon Structure Plan is saved for three years from adoption (October 2004) or until it is replaced by the emerging Regional Spatial Strategy. |
| GOSW | Government Office for the South West | A regional Government organization which brings together the activities and interests of different Government Departments, based in Bristol and Plymouth. |
| | Infrastructure | Basic facilities such as roads, electricity, sewerage, water, education and health facilities. |
| | Intermediate Housing | Housing at prices and rents above those of social rent but below market prices or rents, and which meet the criteria set out in the affordable housing definition. Examples can include Sub-market / Intermediate Rent, Shared Equity, Shared Ownership and Discounted. |
| | Issues and Alternative Options Stage | A statutory preliminary stage (under regulation 25 of the Planning and Compulsory Purchase Act) for preparing a DPD involving survey and evidence gathering where the issues and alternative options are set out. |

| Acronym | Term | Explanation |
|---------|-----------------------------|--|
| LC | Local Centres | Settlements that provide a lesser range and level of facilities and services than Area Centres yet can complement their role. They have an important function in providing some services and facilities for their rural hinterlands and should be focal points for a modest scale of development. |
| LDF | Local Development Framework | <p>A portfolio of documents that together set out the planning policies and proposals for the area. It will include a;</p> <ul style="list-style-type: none"> • Core Strategy – Sets out the vision and spatial strategy for the future development of the area. • Development Control Core Policies – Sets out the generic development control policies for the area. • Site Specific Allocations – These documents are DPD's and can allocate land for specific uses, such as housing, employment or mixed development. • Area Action Plans (where needed) – Provide a planning framework for areas of significant change or conservation. • Proposals Map – Illustrates the policies in the LDD's on an Ordnance Survey base. It will also show factual information such as environmental designations. <ul style="list-style-type: none"> ○ All of the above are known as Development Plan Documents – DPD's are subject to independent Examination. • Annual Monitoring Report - A document which must be published each December, setting out how the council's planning policies have been implemented for the previous financial year and whether it has achieved the milestones set out in its Local Development Scheme. • Local Development Scheme – Sets out the details of the local development documents to be produced and the timescales and arrangements for production. • Statement of Community Involvement - Sets out the Council's policies for the public involvement in the preparation of Local Development Documents and planning applications. |

| Acronym | Term | Explanation |
|---------|---|---|
| | | <ul style="list-style-type: none"> • Supplementary Planning Documents (SPD's) – Sets out more detailed policies in support of those contained in a Local Plan or a Development Plan Document. It is not subject to independent Examination, however they are subject to rigorous procedures of community involvement. It does not form part of the Development Plan, but is a material consideration on planning applications. <ul style="list-style-type: none"> ○ All of the above are Local Development Documents which do not form part of the statutory development plan |
| LN | Local Need | Local need refers to need across the South Hams district. |
| LP | Local Plan | A development plan which sets out the detailed policies and specific proposals for the development and use of land on a site specific basis. These are being replaced by Local Development Frameworks (LDF) under the Planning and Compulsory Purchase Act. |
| LTP | Local Transport Plan | Local transport authorities are required, by the Transport Act 2000, to prepare local transport plans for 2006-2011. The Devon LTP includes a programme of local transport schemes and thirteen provisional targets for the period 2006 to 2011. It can be viewed at www.devon.gov.uk |
| | Material consideration | An issue that should be taken into account in deciding a planning application or an appeal against a planning decision. |
| | Mixed Use | The mixing of different uses is an important part of what makes successful towns and cities. Mixed use development helps sustain a critical mass of uses and activities, as well as reducing car dependency through allowing people to be near to a range of shops, jobs and amenities. The mixing of different housing types and tenures can also ensure a wider range of participation in urban life and avoid polarisation of social groups. |
| | Planning and Compulsory Purchase Act 2004 | Government legislation which sets out how Local Plans are to be replaced by Local Development Frameworks (LDF) at a local level and Regional Planning Guidance (RPG) to be replaced by Regional Spatial Strategies (RSS) at the Regional level. |

| Acronym | Term | Explanation |
|---------|---------------------------|---|
| | Planning Condition | A requirement or limitation attached to a planning permission by the Local Planning Authority when it is granted, with which the applicant must comply. In general they are intended to make the development more acceptable. |
| | Planning Obligation | A legal agreement between the local planning authority and an applicant when granting permission (also known as S106 Agreements). They are used to secure funds or works for significant and essential elements of a scheme to make it acceptable in planning terms. They can be used to prescribe the nature of the development, to compensate for loss or damage created by development or to mitigate a development's impact on surrounding built and natural environment. |
| PMM | Plan, Monitor and Manage | A process of measuring (in terms of quantity and quality) the changes in conditions and trends, impact of policies, performance of the plan against objectives and targets, and progress in delivering outcomes. |
| PPG | Planning Policy Guidance | A series of Central Government guidance notes which set out the Government's policy on various planning issues such as housing, transport, employment and shopping. These are in the process of being replaced by Planning Policy Statements |
| PPS | Planning Policy Statement | An updated series (replacing PPGs) of Central Government guidance notes which set out the Government's policy on various planning issues such as housing, transport, employment and shopping. |
| | Preferred Options Stage | Statutory consultation period (under regulation 26 of the Planning and Compulsory Purchase Act) where a local authority sets out their preference with clear reasons for their selection, together with a précis of the alternatives that are to be considered. |
| PDL | Previously Developed Land | Brownfield land. Land which is or was occupied by a permanent structure (excluding agricultural or forestry buildings) and associated fixed surface infrastructure, including the land within the curtilidge of the site. (For definition see also PPG3 Annex C). |
| PUA | Principal Urban Area | The Principal Urban Areas of the south west (usually an urban area in excess of 50,000) are defined in the Regional Planning Guidance for the South West (RPG10). In Devon these are Exeter, Torbay and Plymouth. |

| Acronym | Term | Explanation |
|---------|------------------------------------|--|
| RPG | Regional Planning Guidance | Guidance issued by the Government which aims to provide the framework for the preparation of local authority development plans in each of the English regions. Under the Planning Compulsory Purchase Act RPGs are to be replaced by Regional Spatial Strategies. |
| RSS | Regional Spatial Strategy | Part of the Development Plan which is decided at a regional level and which sets the strategy for the South West. It will look forward to 2026, and provide the context for the preparation of the South Hams Local Development Framework. It is anticipated that the RSS will be adopted in late 2007 / early 2008. |
| | Sequential Test | A planning policy that states a preference for certain types or locations of land being developed before others. For example, brownfield sites before greenfield sites or town centre retail sites before out-of-town sites. |
| | Social Rented | Housing owned and managed by local authorities and RSL's, for which guideline target rents are determined through the national rent regime. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant. |
| | Spatial Planning | Addresses not only the use of land but also the activities on it. |
| | Stakeholder | Those who have a responsibility or an interest in a particular decision (either as individuals or as representatives of authorities, agencies or groups). This includes those who influence a decision as well as those affected by it. |
| SEA | Strategic Environmental Assessment | A generic term used to describe environmental assessment as applied to policies, plans and programmes. The European 'SEA Directive' (2001/42/EC) requires a formal 'environmental assessment of certain plans and programmes, including those in the field of planning and land use'. |
| SFRA | Strategic Flood Risk Assessment | A document which assesses the likelihood of flooding in a particular area, so that judgments can be made about the feasibility of flood mitigation measures and whether development should be allowed or not. |
| | Submission Stage | A statutory consultation period (under regulation 28 of the Planning and Compulsory Purchase Act) where the DPD is submitted to the Secretary of State for Independent Examination. |

| Acronym | Term | Explanation |
|---------|---|--|
| | Sustainability Appraisal | Tool for appraising policies to ensure they reflect sustainable development objectives (i.e. social, environmental and economic factors) and required in the Planning and Compulsory Purchase Act to be undertaken for all Development Plan Documents. |
| | Sustainable communities | Meet the diverse needs of existing and future residents, their children and other users, contribute to a high quality of life and provide opportunity and choice. This is achieved in ways which make effective use of natural resources, enhance the environment, promote social cohesion and inclusion and strengthen economic prosperity. |
| SUD's | Sustainable Urban Drainage Systems | Drainage solutions which moderate the flow and quality of run off into and through watercourses resulting in improvements to the quality of the built and natural environment (to ensure no increase or change to status of water outflows as a result of development). |
| | Sustainability or Sustainable Development | Promotes a better quality of life for everyone, now and for generations to come. A widely used international definition is 'development which meets the needs of the present without compromising the ability of future generations to meet their own needs'. |
| TCZ | Town Centre Zones | A central urban area that will provide a focus for; retail activity, leisure and entertainment facilities, the arts, culture and tourism, commercial and office development and housing (as part of mixed-use schemes). |
| UCS | Urban Capacity Study | A study carried out in order to identify the level of housing which can be accommodated within a District's urban areas. Undertaken in response to Panning Policy Guidance Note 3 (Housing)/Planning Policy Statement 3 (Housing). |
| | Urban Fringe | The area of land immediately adjacent to the outer edge of large built-up areas before the countryside is reached. |

