1.1 Thank you for providing Lincolnshire Community Land Trust (LCLT) with the opportunity to provide further comment on the extent to which South Kesteven’s Sites and Allocations Development Plan Document is in conformity with the National Planning Policy Framework.

1.2 LCLT’s mission is to assist local communities and work with others to develop community led housing and other facilities. As such we work with communities across the county with a particular focus on rural settlements. It is our experience of this work, together with the combined experience of its Board in delivering rural affordable housing over more than 20 years that informs our comments.

1.3 In essence we do not consider that it meets the founding principle of the NPPF, the promotion of sustainable development as an integrated approach to meeting social, economic and environmental needs.

1.4 Specifically, we consider that South Kesteven’s Sites and Allocations DPD is not in conformity with the NPPF in its policies on:
- the distribution of development in rural areas;
- the provision of rural affordable housing;
- and support for rural economic activity.

1.5 We have provided detailed comments below. Each section begins by citing the NPPF policies where we consider the Sites and Allocations DPD is not in conformity. This is followed by an identification of how the DPD’s policies do not conform. We end each section with a suggestion of how the lack of conformity could be addressed.

2. Distribution of Development

The Sites and Allocations DPD does not conform with the NPPF requirements set out in:
- Paragraph 14
- Paragraph 15
- Paragraph 17 – 5th bullet point
- Paragraph 54
- Paragraph 29

2.1 As the Core Strategy states its policies will result in 90% of development being in urban centres, 6% in Local Service Centres and 4% in other rural communities. The SHMA states that 31.4% of the Districts population live in rural areas and that of all future housing demanded 19% will be from all the
rural area and 14% specifically from the most rural locations. It is difficult to see how such an urban-centric distribution of development is responsive to the needs of its rural communities.

2.2 To some extent the approach and distribution to development in the rural areas is driven by the Core Strategy that sets a target of providing 1000 new homes in these Local Service Centres between 2006-26. Taking account of recent supply and sites with planning permission a decision was taken to allocate sufficient land for 155 units. To accommodate this the council took a decision to only allocate development in 6 of the 16 local service centres. As such the policy appears to be driven by a top down approach rather than one that is responsive to local circumstances. This manifests itself in two decisions.

2.3 Firstly to only allocate sites in the Local Service Centres which automatically dismisses the smaller rural communities as locations for a plan-led approach to development.

2.4 Secondly, to only allocate in 6 of the 16 Local Service Centres debars the majority of larger rural settlements from a plan led approach to promoting sustainable development. Moreover the process for selecting the six settlements for allocation used a checklist approach that included presence of higher order facilities such as full time doctor’s surgery, capacity at primary and/or secondary schools and access by public transport to the major urban centres. Not surprisingly few of the Local Service Centres were able to offer this level of services.

2.5 This approach is fundamentally flawed in terms of promoting sustainable development in rural communities, including the smaller settlements. Instead by restricting development to the extent proposed it will at best perpetuate and at worse exacerbate the problems of sustainability facing these communities.

2.6 Interestingly it also runs counter to the acknowledgement in the S&A DPD and the Core Strategy that some development will help maintain the vitality of Local Service Centres and meet local needs.

2.7 Proposed change

To address this non-conformity with the NPPF requires that more development is allocated in the rural areas of the District with the adoption of a plan-led approach to promoting sustainable development in the villages as well as the Local Service Centres.

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1 Peterborough Partial SHMA – summary Report to South Kesteven District Council – August 2010– paragraph 8.7
3. The Provision of Rural Affordable Housing

The Sites and Allocations DPD does not conform with the NPPF requirements set out in:

Paragraph 47.
Paragraph 50
Paragraph 54

3.1 Despite acknowledging that a lack of affordable housing to meet local needs has been identified as a key issue in South Kesteven (para 4.2.21). The policies in the plan result in a shortfall in rural affordable housing provision of between 54 per annum in villages and hamlets and 29 in rural Town and Fringe Settlements.

3.2 The Peterborough Partial SHMA provides an analysis of housing needs using the Defra rural classification and its results are shown in Table One.

Table One: Annual Rural Affordable Housing Needs in South Kesteven

<table>
<thead>
<tr>
<th></th>
<th>Villages and Hamlets</th>
<th>Town and Fringe</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number per annum</td>
<td>% of current supply</td>
</tr>
<tr>
<td>CLG methodology</td>
<td>58</td>
<td>142%</td>
</tr>
</tbody>
</table>

Source: Peterborough Partial SHMA- Summary Report for South Kesteven District Council – August 2010

3.3 The Sites and Allocations DPD will provide sites in only 6 of the 16 the Local Service Centres that will according to Policy LSC 1 will deliver 63 affordable homes in these locations, an average of 4 affordable homes per annum over the next 15 years.

3.4 The Sites and Allocations policy is based on a decision not to allocate sites of less than 10 units on the grounds that such sites would be covered by the requirement in the Core Strategy and SAP H1. This policy requires that sites are either ‘brownfield’ or within the built up area. However, the evidence submitted by the Council in response to the Inspector’s Note (March 2012) states that of 61% of sites that were suggested for allocation in the LCS are greenfield sites within or adjoining the Local Service Centres. Given the rural nature of the area and historic levels of development it is likely that many
potential windfall sites will be of a similar nature. As such they will not meet the policy’s criteria and are therefore unlikely to make a significant contribution to meeting the affordable housing requirements of these communities.

3.5 An additional 10 units per annum is expected to be delivered in the other smaller rural settlements through Rural Exception Sites that will solely provide affordable housing. However there are significant questions about the deliverability of this policy. Government grant from the Homes and Communities was cut by 60% and in the East Midlands grant per unit was cut by 33% per unit. Initially, the HCA only allocated funding for 80 new affordable homes for settlements of less than 3,000 population across all Lincolnshire between 2011 and 2015. Moreover, this is tied to known schemes so there is no HCA capacity to fund new developments.

3.6 Proposed Change

To address this non-conformity with the NPPF requires that the total number of homes planned for the rural areas, Local Service Centres and villages, is increased and that a plan-led approach is taken to the delivery of affordable housing in both types of rural settlement. This should include:

- Allocation of sites with a threshold and affordable housing contribution that reflects the realistic alternative use value of these sites.

- Adoption of a policy for cross-subsidy on rural exception sites that maximises delivery of affordable housing by including the following elements:
  - Clear statement that the objective of the policy is to provide affordable housing to meet local housing needs
  - Restricts land values to those paid for Rural Exception sites
  - Includes a target for the affordable housing element of the scheme
  - States the limit to the market housing element
  - Allows for negotiation based on ‘open book’ proof of economic viability
  - Requires evidence of support from local community through evidence of how they have been engaged in the process or through Neighbourhood Plan.

There are now a number of local authorities across England who are allow cross subsidy on rural exception sites through policies that maintain the principle objective of the policy, to meet local housing needs, but by allowing limited market housing ensure it is delivered.
4. Economic development in rural areas

The Sites and Allocations DPD does not conform with the NPPF requirements set out in:

Paragraph 28

4.1 The Sites and Allocations DPD states that outside the towns and Local Service Centres the Core Strategy policy supports rural diversification proposals which require a rural location, and which would support or regenerate the rural economy. This and policy SAP4 is not in line with the NPPF that requires that local and Neighbourhood Plans should support all types of business and enterprise in rural areas. Instead it is narrowly focused on activity related to traditional rural economic activity and there is an environmental bias in the criteria. This is likely to lead to rejection of planning applications rather than adopting an integrated approach to sustainable development in rural areas.

4.2 Proposed Change
To address this non-conformity with the NPPF requires that the policy be re-written to support development of all businesses on appropriate sites which maintain and enhance countryside vitality and character where they improve the sustainability of rural communities by bringing local economic and community benefits.

For further information contact

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