



Council of the
ISLES OF SCILLY

**ISLES OF SCILLY LOCAL PLAN
2015-2030**

Regulation 18 Consultation

**Sustainability Appraisal (SA) Report
incorporating
Strategic Environmental Assessment
(SEA)**

February 2018

by

enfusion



Isles of Scilly Local Plan: Consultation Draft Regulation 18

Sustainability Appraisal (SA) Report incorporating Strategic Environmental Assessment (SEA)

February 2018

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1.0 INTRODUCTION

Sustainability Appraisal (SA) & Strategic Environmental Assessment (SEA)

- 1.1 Sustainability Appraisal (SA) is a systematic process that must be carried out during the preparation of a Local Plan, as required by planning legislation¹ and the National Planning Policy Framework². The purpose of SA is to promote sustainable development through assessing the extent to which an emerging plan, when judged against reasonable alternatives, will help to achieve relevant environmental, economic and social objectives³.
- 1.2 Local Plans must also be subject to Strategic Environmental Assessment⁴ (SEA) and Government advises⁵ that an integrated approach is taken so that the SA process incorporates the requirements for SEA – and to the same level of detail. The Council of the Isles of Scilly has commissioned independent specialist consultants Enfusion Ltd to undertake the SA process (incorporating SEA) of the Isles of Scilly Local Plan. This SA Report is part of the evidence base for the Draft Isles of Scilly Local Plan and it accompanies the Draft Plan on Regulation 18 public consultation.

Equality Impact Assessment (EqIA) & Health Impact Assessment (HIA)

- 1.3 The Council has chosen to integrate Health Impact Assessment (HIA) and Equality Impact Assessment (EqIA) processes, as well as SEA, within the overarching SA process. HIA is not a statutory requirement for Councils but is good practice in plan-making; health considerations are a requirement of the SEA process and thus the overall SA process. Public bodies have a duty⁶ to assess the impact of their policies on different population groups to ensure that discrimination does not take place and, where possible, to promote equality of opportunity.
- 1.4 For the SA of the Draft Isles of Scilly Local Plan, the integration of health and equality considerations has focused on ensuring that these issues are well represented in the SA Framework (through objectives and thresholds of significance) against which the developing options, policies and sites are being assessed. Health and equality issues have been addressed iteratively as the appraisal process has progressed. Details of the EqIA are presented separately to demonstrate compliance with the Equality Act (2010) in Appendix VII to this SA Report.

¹ Section 19(5) of the 2004 Act and Regulation 22(a) of the Town and Country Planning (Local Planning) (England) Regulations 2012

² <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

³ DCLG (2014) National Planning Practice Guidance - Strategic Environmental Assessment and Sustainability Appraisal <http://planningguidance.planningportal.gov.uk/blog/guidance/>

⁴ EU Directive 2001/42/EC, and, Environmental Assessment of Plans and Programmes Regulations, 2004

⁵ <https://www.gov.uk/guidance/strategic-environmental-assessment-and-sustainability-appraisal>

⁶ UK Equality Act, 2010

Habitats Regulations Assessment (HRA)

- 1.5 The Council is also required to undertake a Habitats Regulations Assessment⁷ (HRA) of the Local Plan. The aim of the HRA process is to assess the potential effects arising from a plan against the conservation objectives of any site designated for its nature conservation importance. The HRA screening considers if the potential impacts arising as a result of the plan are likely to have significant effects on these sites either alone or in combination with other plans and projects.
- 1.6 The HRA process has its own legislative drivers and requirements and, while the different processes can inform each other, it is important that the HRA remains distinguishable from the wider SA process. The HRA process has been undertaken in parallel with the SA process but the detailed methods and findings are reported separately. Summary HRA findings are incorporated into the integrated SA Report.

The Isles of Scilly Local Plan Review 2015-2030

- 1.7 In 2005 the Council of the Isles of Scilly adopted their current Local Plan for the Plan period up until 2020. The Local Plan provides the spatial strategy for the islands, and includes core policies relating to infrastructure, housing, sustainable development and transport, as well as site proposals for new development. The Local Plan is supported by non-statutory supplementary planning documents, including the Isles of Scilly Design Guide, the Strategic Transport Framework and the Sustainable Energy Strategy.
- 1.8 The Council is currently undertaking a review⁸ of the existing Local Plan. The policies from the 2005 Local Plan have been saved until the new Local Plan has been adopted. The new Local Plan will provide updated policies that will determine the type and scale of development on the islands, and will also include sites for housing development to meet the identified housing needs of the population. Future planning applications will be required to comply with the planning policies provided in the new Local Plan.
- 1.9 The Draft Local Plan has been prepared in accordance with national planning requirements and informed by various technical studies, the Sustainability Appraisal, and consultation with the public, stakeholders and the regulators. The Draft Local Plan comprises an Introduction and explains what has influenced its preparation. The Spatial Portrait for the Isles of Scilly is then described with the physical context, an overview of constraints such as the internationally and nationally designated environmental and heritage assets, the population and demography, and economy and employment. The next section explains the key challenges and issues for plan-making and the Isles of Scilly.

⁷ Conservation of Habitats & Species Regulations 2010 <http://www.legislation.gov.uk/uksi/2010/490/contents/made>

⁸ <http://www.scilly.gov.uk/planning-development/local-plan-review>

- 1.10 The Spatial Planning Vision sets out how the Isles of Scilly could develop as a place to meet the future needs of its local residents, businesses, and visitors. The **Draft Vision** is as follows:

In 2030: The Isles of Scilly is a highly desirable place where people are able to live well, work productively, move freely between islands and the mainland and benefit from excellent education, leisure, health and social care facilities within a world class environment in harmony with nature. The distinctiveness and exceptional environment and influence of the sea continue to provide a strong sense of community, identity and belonging that remain vital assets for the islands economy and well-being.

In 2030: Innovative systems and technologies have taken advantage of the islands location and environment and provided the catalyst for achieving exemplar and innovative sustainable development and a model for how other communities around the world can benefit.

In 2030: The islands communities have access to a range of homes that are more affordable, adaptable and accessible to everyone, including families and older people.

In 2030: The Isles of Scilly is strong, competitive and diverse economy that benefits from inward investment and innovation. Businesses have access to a locally based, highly skilled workforce reflecting high quality learning as well as internships and cultural exchanges through, for example, the Smart Island programme.

In 2030: The islands infrastructure is a beacon of sustainability to the UK and beyond and provide an affordable, innovative and low carbon model for managing energy, water and waste with considerable benefits to the environment and the quality of life to residents.

In 2030: Residents, businesses and visitors enjoy more affordable, resilient and reliable transport links to the mainland and between islands throughout the year following improvements to transport services and networks.

- 1.11 Development in the Local Plan will be supported through its Policies that are guided by the Strategic Aims and Objectives, as follows:

Table 1.1: Strategic Aims & Objectives for the Draft IOS Local Plan

1. Maintaining an outstanding and world class environment and ensure its distinctive and significant landscape and seascape, heritage and nature conservation assets are protected and valued and, where	Ensure new development is appropriately located, sited and designed to mitigate any environmental impacts, including the reuse of previously developed land and the more efficient and effective use of all sites and buildings
	Improve the quality of the environment, including coastal waters, through the provision of better infrastructure.
	Promote the prudent and sustainable use of resources and the minimisation of waste and pollution.
	Protect the distinct identities and characteristics of individual islands and settlements.

appropriate, enhanced.	
2. Ensure the provision of infrastructure and utilities to create a more sustainable, resilient and self-sufficient Isles of Scilly.	Support improvements and secure investments to modernise and improve the islands drinking water, sewerage and waste management operations and infrastructure to ensure that it is affordable and complies with the appropriate legislation and regulations.
	Engender a planned and coordinated approach for securing infrastructure provision as part of and in step with new development and investment opportunities.
	Support clean, innovative and flexible energy technologies (including renewable energy generation, energy storage) and more efficient grid technologies) that move the islands towards a low carbon economy.
3. Creating a balanced local housing market that provides housing choice and meets the existing and future needs of the community enabling economic prosperity.	Provide affordable, decent and well-designed homes to meet the range of needs for current and future generations.
	Support a range of affordable housing types and tenures appropriate to meeting the needs of the existing and changing community, including a more rapidly aging
	Permit open market housing only where it enables the delivery of affordable homes through cross-subsidisation
4. Create a more competitive, diverse and resilient economy based on an exceptional and inspirational environment that can adapt to change and challenges and maximise opportunities by building on its strengths and underpinned by effective infrastructure and an appropriately available and skilled workforce.	Provide a wider choice of better paid and skilled jobs through the creation of a more competitive and diverse economy.
	Encourage research, innovation and entrepreneurship through enhanced ICT opportunities.
	Provide sustainable growth in tourism in response to changing markets with a focus of improving the quality and value of its product, particularly tourist accommodation, in assets and where it complements the exceptional and outstanding environment.
	Permit new development that supports agriculture and horticulture in recognition of its cultural and economic importance and its essential contribution to sustainably managing the islands outstanding environment
5. Engender and support a strong, vibrant and healthy island community with an improved quality of life for its residents.	Facilitate growth that improves the sustainability and self-sufficiency of the islands communities through the provision and retention of viable services and facilities that supports its cultural, health and social well-being.
	Support proposals that facilitate modern and integrated health and social care services to meet the requirements of the community.

	Support investment in social, sports, recreational, leisure and cultural services and facilities to meet the requirements of the community.
	Ensure that new development and the built environment is designed to promote healthy living and support an ageing population.
	Support proposals that strengthen or support transportation links on each inhabited island and between the islands and the mainland, including connecting transport systems.
	Support proposals that provide everyone with the opportunity to have access to a wide range of high quality education, learning and training.
6. Adapting to the effects of climate change on people, wildlife, and places by increasing resilience, matching the vulnerability of land uses to flood risk and managing surface water in the most sustainable way.	Promote high quality sustainable building and construction to minimise the risks arising from climate change and ensure new development is designed and located to mitigate and adapt to the effects of climate change and extreme weather conditions including coastal flooding.
	Reduce the causes of climate change by minimising carbon emissions in new development and supporting the transition to a low carbon economy through permitting proposals that promote clean, innovative and flexible energy technologies.
	Reduce the environmental and social impacts of transport by reducing the need to travel by petrol and diesel car through the siting and design of new developments and encourage sustainable travel options, including the use of car sharing and electrical vehicles (40% of vehicles being low carbon or electric by 2025).
7. Minimising carbon dioxide and other greenhouse gases and support measures that contribute to carbon neutrality and mitigate against the effects of climate change.	Ensure the sustainable use of natural resources and the full benefits of eco systems are understood and harnessed.
	To mitigate against the inevitable local impacts of climate change to ensure the environment, its community and businesses are conserved for future generations and help sustain the islands into the future.

1.12 The Spatial Strategy then sets out the planning framework that underpins the Local Plan to achieve its Vision, Aims and Objectives. The key elements of the Spatial Strategy may be summarised, as follows:

1. **Protect the integrity of the distinctive and exceptional environment**
2. **Support new development that reinforces the sustainability and viability of the Isles of Scilly**
3. **By 2030 build 105 affordable homes**
4. **Concentrate new homes in the settlements of Hugh Town and Old Town**

5. **Support new development that creates a more competitive, diverse and resilient economy**
6. **Support new development to enable the implementation of Smart Island principles**
7. **Support development that secures improvements to the islands infrastructure and utilities**
8. **Support new tourist accommodation and facilities of an appropriate design and scale**
9. **Support sustainable travel options and reduce the environmental and social impacts of climate change and transport**

1.13 The Draft Local Plan then comprises Chapters with Policies as follows:

Chapter 1: Promoting a Sustainable Scilly

- SS1: Principles of Sustainable Development
- SS2: Sustainable Quality Design & Place-Making
- SS3: Re-Use of Buildings
- SS4: Protection of Retailing & Community Facilities
- SS5: Infrastructure Improvements
- SS6: Water Management
- SS7: Flood Avoidance
- SS8: Renewable Energy Developments
- SS9: Managing Movement
- SS10: To & Inter-Island Transport

Chapter 2: Our Outstanding Environment

- OE1: Landscape Character
- OE2: Biodiversity & Geodiversity
- OE3: Development affecting Heritage
- OE4: Protecting Scilly's Dark Skies
- OE5: Managing Pollution
- OE6: Waste Management
- OE7 Minerals

Chapter 3: Building a Strong Living Community

- LC1: Isles of Scilly Housing Strategy to 2030
- LC2: Occupying Affordable Homes
- LC3: Accessible Homes
- LC4: Staff Accommodation
- LC5: Removal of Occupancy Conditions
- LC6: Housing Allocations
- LC7: Windfall Housing
- LC8: Replacement Dwellings
- LC9: Residential Extensions & Ancillary Accommodation
- LC10: Homes in Multiple Occupation

Chapter 4: Building a Strong Working Community

- WC1: General Employment Policy
- WC2: Home-Based Businesses
- WC3: New Employment Development
- WC4: Alternative Uses for Employment Land & Buildings

WC5: Visitor Economy & Tourism Developments

WC6: Safeguarding Serviced Accommodation

- 1.14 A final Chapter 5 covers Monitoring & Implementation. The Plan is further supported by 5 Appendices with Proposals Maps as follows:

A: Housing Allocations

B: Settlement Boundaries

C: Retail Frontages/Town Centre

D: Employment/Industrial Land

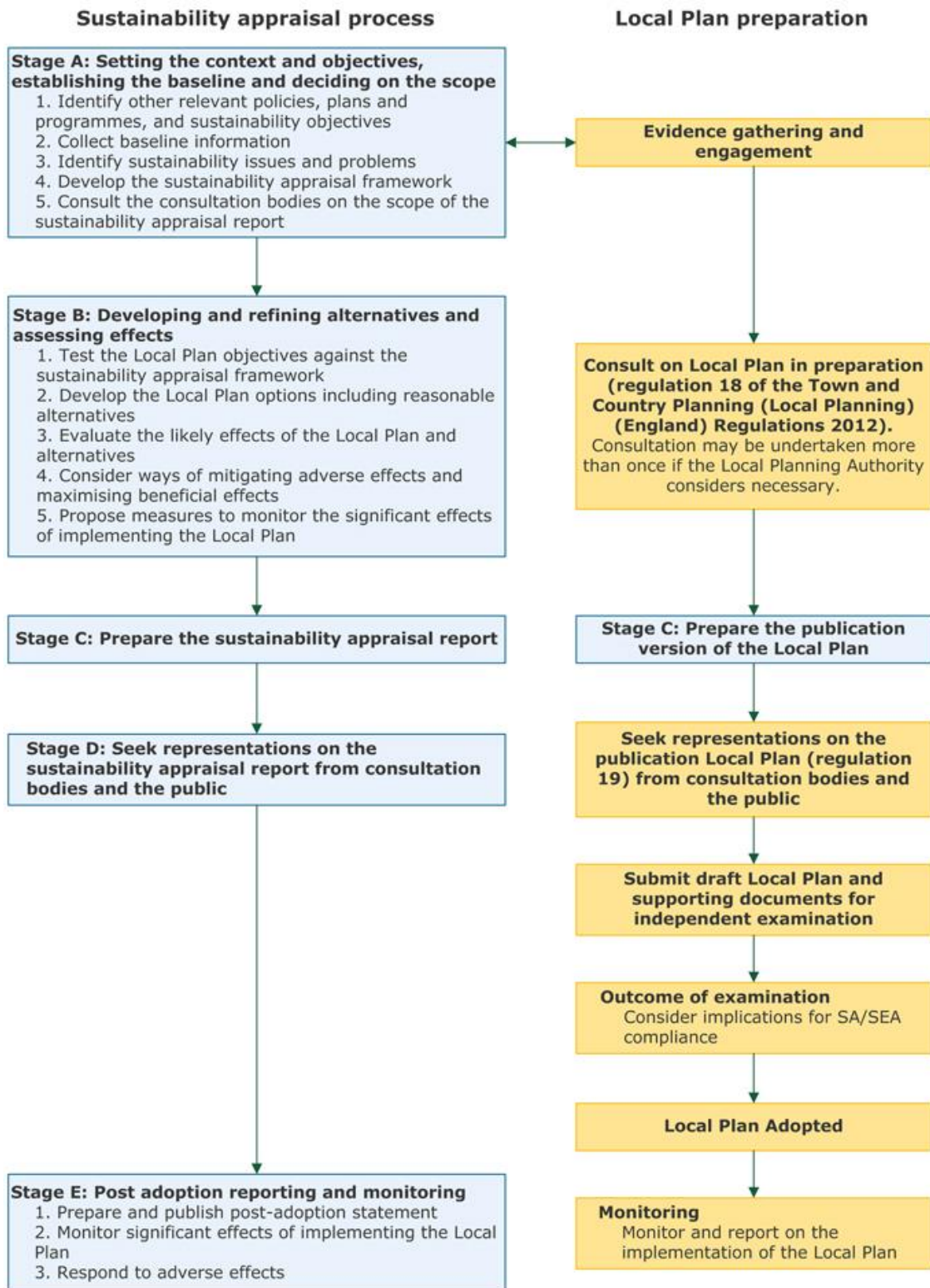
E: Known Flood Risk Areas St Mary's

Inter-Relationships between SA & Plan-Making Processes

- 1.15 National Planning Practice Guidance⁹ sets out the key stages and tasks for SA and their inter-relationships with plan-making stages and tasks – as set out in the diagram following:

⁹ <http://planningguidance.communities.gov.uk/blog/guidance/strategic-environmental-assessment-and-sustainability-appraisal/sustainability-appraisal-requirements-for-local-plans/>

Figure 1.1: SA and Plan-Making Stages and Tasks



1.16 Sustainability Appraisal is an iterative and ongoing process that informs plan-making by assessing developing elements of the Plan, evaluating and describing the likely significant effects of implementing the plan, and suggesting possibilities for mitigating significant adverse effects and enhancing positive effects. As the plan develops, stages and tasks in the SA

process may be revisited, updated or refreshed in order to take account of updated or new evidence, as well as consultation representations. In practice, the evidence base for both SA and HRA processes can be shared, as well as with the evidence base for the plan-making process.

Consultation: Statutory, Public & Stakeholder Engagement

- 1.17 As part of the early preparation of the Draft Plan, there was wide public consultation in the summer 2015 on the proposed scope of the Local Plan Review. A summary¹⁰ of comments and responses is available on the Council's website. The second stage of this Regulation 18 consultation is scheduled for February-March 2018.
- 1.18 In 2015, the proposed scope of the SA of the Plan was sent to the SEA statutory consultees – Historic England (previously English Heritage), Environment Agency and Natural England and made available on the Council's website for wider consultation (October- November 2015). The SA Scoping Report was amended to address comments made and issued as a Final Scoping Report¹¹ in July 2016.
- 1.19 The Sustainability Appraisal studies and findings will continue to inform the ongoing development of the IOSLP and comprise part of the evidence base for the emerging plan. SA Reports will accompany the subsequent stages of the Local Plan as set out in the following table with the chronology of the IOSLP preparation, consultation and the accompanying SA/SEA stages:

Table 2.1: Isles of Scilly Local Plan and SA/SEA Stages and Documents

IOSLP Stage and Documents Consultation	SA/SEA Stage and Documents Consultation
IOSLP Scoping Issues	SA Scoping Report (Draft July 2015) Final (July 2016)
Public Consultation 8 June – 24 July 2015	Public Consultation 19 October- 30 November 2015
Evidence gathering, including the Strategic Housing Market Assessment (SHMA) & Strategic Housing Land Availability Assessment (SHLAA) 2015-2017	
Draft IOSLP Regulation 18 public consultation 16 March-11 May 2018	Draft SA Report (February 2018) Regulation 18 public consultation 16 March-11 May 2018
Draft IOSLP Pre-Submission Regulation 19 public consultation June-July 2018 (date to be confirmed)	Pre-Submission SA Report Regulation 19 public consultation June-July 2018 (date to be confirmed)

¹⁰

http://www.scilly.gov.uk/sites/default/files/document/planning/IOS%20Local%20Plan%20Scoping%20Report%20Official%20Responses%20FINAL%20FOR%20PUBLICATION_1.pdf

¹¹

<http://www.scilly.gov.uk/sites/default/files/document/planning/SA%20SCOPING%20REPORT%20post%20consultation%20and%20officer%20responses%20JULY%202016.pdf>

Submission IOSLP To Secretary of State for independent examination Later in 2018	Submission SA Report
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Compliance with SEA Directive & Regulations

- 1.20 The Strategic Environmental Assessment Regulations set out certain requirements for reporting the SEA process and specify that, if an integrated appraisal is undertaken (i.e. SEA is subsumed within the SA process), then the sections of the SA Report that meet the requirements set out for reporting the SEA process must be clearly signposted. The requirements for reporting the SEA process are set out in Appendix I of this SA Report.

Structure of this SA Report

- 1.21 Following this introductory Section 1, Section 2 describes the methods used to appraise the draft Local Plan and Section 3 provides the sustainability context and characteristics of the Plan area. Section 4 explains how options in plan-making and alternatives in SA have been addressed and reported explicitly to demonstrate compliance with the requirements of the SEA Directive. The findings of the SA of the draft Local Plan are discussed in Section 5 including summary findings for the HRA and EqIA. The approach to monitoring is introduced in Section 6, and Section 7 explains the next steps and the requirements for consultation.
- 1.22 Technical Appendices provide the detailed findings of the SA. Appendix I comprises the Statement of Compliance with the SEA Directive and provides signposting to where key aspects of the SA are located in the SA Report. Appendix II is the SA Scoping Report, available separately, and including the details of the baseline evidence and the development of the SA Framework for assessment, and as amended (Appendix III). Appendices IV-VI present the details of the SAs of the Vision & Objectives, the options considered for strategic policies and the local site allocations. Appendix VII details the findings of the EqIA and provides a separate document to demonstrate compliance for the Council with the requirements of the Equality Act, 2010.
- 1.23 The Habitats Regulations Assessment (HRA) Report (February 2018) is a separate report to accompany the Draft Plan on the Second Stage Regulation 18 consultation. A summary of the HRA findings is provided here in this SA Report in Section 5.

2.0 SUSTAINABILITY APPRAISAL METHODS

Introduction & the SA/SEA Process

- 2.1 Sustainability Appraisal incorporating Strategic Environmental Assessment is an iterative and ongoing process that aims to provide a high level of protection for the environment and to promote sustainable development for plan-making. The role of SA is to inform the Council as the planning authority; the SA findings do not form the sole basis for decision-making – this is informed also by other studies, feasibility and feedback from consultation. SA is a criteria-based assessment process with objectives aligned with the issues for sustainable development that are relevant to the plan and the characteristics of the Plan area.
- 2.2 There is a tiering of appraisal/assessment processes (and see also later Figure 4.1) that align with the hierarchy of plans – from international, national, regional and through to local. This tiering is acknowledged by the NPPF (2012) in paragraph 167 that states that “*Assessments should be proportionate and should not repeat policy assessment that has already been undertaken.*”

SA Scoping & the SA Framework

- 2.3 The first stage of the SA/SEA process is scoping (and please see Figure 1.1 previously). Relevant plans and programmes (PP) were reviewed; baseline information was identified, collated and analysed to help identify the key issues, problems and opportunities for the Plan area. The details of this analysis are presented in the SA Scoping Report (Final July 2016) and a summary is provided in the following Section 3 of this SEA/SA Report. The Draft SA Scoping Report was published for consultation, and comments received were considered in the Final Scoping Report.
- 2.4 A Framework of SA Objectives and sub-objectives/decision-aiding questions was developed from the key issues identified. This framework aims to promote and/or protect sustainability factors that are relevant to the Isles of Scilly area and its timescale for implementation in the period up to 2030. It forms the basis against which emerging elements of the IOSLP are appraised using both quantitative and qualitative assessment from the evidence base and professional judgment.
- 2.5 In October 2016, Enfusion were appointed by the Council as specialists in SA/SEA and commissioned to undertake an initial compliance review of the SA work that had been carried out to date. Overall, the review confirmed that the SA scoping was in line with the requirements of the SEA Regulations. The review noted that the proposed SA Framework included some sub-objectives that were duplicated across the main objectives and that this might lead to inconsistencies and replication of assessments. It is understood that effects of new development can range over a number of topics – and indeed, the SEA Regulations require the assessment to consider inter-relationships.

2.6 Accordingly, some amendments to the SA Framework were suggested – principally reorganisation to avoid replication and help clarity/consistency in assessment – and the details are presented in Appendix III of this SA Report. For example, transport had been included as a sub-objective to support sustainable communities (SA Objective No 2), whilst sustainable transport for walking/cycling was included in Air Quality (SA Objective No 6). Equality is addressed directly through specific decision-aiding questions in various SA Objectives – numbers 2A, 2B, 3, 4, and 10B. The revised SA Framework of Objectives and Sub-Objectives/Decision-Aiding Questions is as follows:

Table 2.1: SA Framework

SA No.	SA Objective	Sub-Objectives Decision-Aiding Questions
1	Prevent Loss of and Enhance Habitats	Prevent loss of habitat
		Maintain and enhance access to sites whilst avoiding and reducing adverse impacts
		Maintain or increase area of habitat
		Improve management, linkage and condition of designated habitats
		Create opportunities to enhance biodiversity in building design and open space
		Prevent the introduction of non-native invasive species and support their detection and removal
		Protect geodiversity
2	Support Sustainable Communities 2A-Housing 2B- Services and Facilities	Ensure the provision of affordable housing
		Secure services and accommodation for an ageing population
		Secure the provision of care and services for young people
		Improve access to services for all islanders
		Improve access to education and skills for all islanders
3	Support Sustainable Economic Development & Employment	Support the diversification and long term viability of commercial activities, including agriculture, fishing, the marine industry and tourism
		Secure adequate provision of employment land
		Support the provision of infrastructure, including ICT and transport
		Support improved business productivity and innovation
		Support enterprise to address climate change
		Secure higher skilled and higher paid employment
		Improve access to employment for all islanders
4	Safeguard and Enhance Human Health	Reduce and avoid noise pollution
		Reduce and avoid light pollution
		Improve safety
		Ensure the appropriate management of coastal erosion

		Increase availability of locally sourced food
		Increase the provision of allotments
		Improve access to open space for all islanders
		Improve access to outdoor recreation and sports facilities for all islanders
5	Maintain and improve water quality and use water efficiently and protect water resources	Prevent pollution
		Protect and improve drinking water to ensure compliance with Drinking Water Inspectorate
		Protect existing groundwater abstractions from derogation by new abstractions
		Protect Controlled Waters from adverse abstraction impacts
	5A- Water Quality	Increase use of sustainable drainage systems
		Improve efficiency and conservation in use of water
	5B- Water Resources	Ensure sufficient water supply for agriculture
		Protect woodland and promote timber production
		Compliance with the Water Framework Directive in relation to groundwater status (quantitative and chemical)
		Prevent saline intrusion adversely impacting groundwater and groundwater supplies
		Improve efficiency and effectiveness of sewerage system
		Deliver adequate provision of infrastructure (physical, social and green) including compliant drinking water, sewage disposal and waste management
6	Maintain Air Quality & Improve Sustainable Transport	Meet national air quality standards
		Deliver a more sustainable pattern of transport
		Increase cycling and walking to access services, employment and education
		Retain and enhance transport between the islands and to the mainland
		Improve public transport (includes taxis)
7	Address the causes and consequences of climate change with particular focus on improving resilience and adaptation	Reduce greenhouse gas emissions
		Ensure tourism is compatible with the climate change agenda
		Increase the use of sustainable design and construction techniques
		Ensure access to services during and after severe weather events
		Ensure access to food during and after severe weather events
	Climate Change; Coastal Change; Greenhouse Gas Emissions	Ensure communities, infrastructure and services are resilient against flood risk, coastal change and drought.

		Provide space for habitats to migrate inland in response to rising sea levels, this should include sand dunes (especially those that act as flood defences), wetlands and ponds.
8	Maintain and enhance cultural and heritage assets; including architectural and archaeological heritage	Protect and enhance architectural heritage
		Protect and enhance archaeological heritage (including unknown)
		Protect and enhance cultural heritage
		Reduce risks to heritage
		Improve access to historic buildings for residents and visitors
		Enhance local distinctiveness
		Promote art, craft and cultural interests
9	Protect and Enhance the Landscape	Protect and enhance visual amenity
		Protect and enhance landscape character
		Protect and enhance seascape character
10	Support a more sustainable means of production and use of resources	Increase recycling and composting
		Promote sustainable timber production
		Increase the renewable energy capacity
		Ensure the efficient use of developed land
		Ensure the sustainable use of mineral resources including the use of recycled and secondary aggregates
		Increase local food production
		Maintain agricultural activities whilst avoiding and reducing adverse impacts
		Reduce and avoid fuel poverty
		Improve energy efficiency
		10A- Waste & Minerals
10B- Energy		
10C- Soil and agriculture		

2.7 The descriptions and categories of significance of effects identified through the SA are as set out in the key following:

Table 2.2: SA Effects Significance Key

Categories of Significance of Effects		
Symbol	Meaning	Sustainability Effect
++	Major Positive	Proposed development encouraged as would resolve existing sustainability problem
+	Minor Positive	No sustainability constraints and proposed development acceptable
0	Neutral	Neutral effect
?	Uncertain	Uncertain or Unknown Effects
-	Minor Negative	Potential sustainability issues: mitigation and/or negotiation possible
--	Major Negative	Problematical and improbable because of known sustainability issues; mitigation likely to be difficult and/or expensive

Appraising the Draft Isles of Scilly Local Plan

- 2.8 Each element of the draft IOSLP was appraised against the SA Framework of Objectives using professional judgement supported by the baseline evidence and the wider Plan evidence base. The nature of the likely sustainability effects (including positive/negative, duration (short, medium or long term), permanent/ temporary, secondary¹², cumulative¹³ and synergistic¹⁴) were described in the appraisal commentary, together with any assumptions or uncertainties.
- 2.9 Where possible, the SA made suggestions and recommendations to mitigate negative effects or promote opportunities for enhancement. A summary appraisal commentary was provided to set out any significant effects identified, along with suggestions for mitigation or enhancement to be made where relevant. SA is informed by the best available information; however, data gaps and uncertainties exist and it is not always possible to accurately predict effects, particularly at a strategic level of assessment.
- 2.10 The SA was used in an iterative and ongoing way to help identify and refine reasonable alternatives for the plan-making; however, at this local level of plan-making, alternatives are limited to some strategic policies and local site allocation options and this is discussed further in Section 4.
- 2.11 The SA was structured under topic headings that have been linked to Objectives in the SA Framework as well as topics in the SEA Directive and paragraphs in the NPPF. This provides a robust framework and structure to evaluate the likely significant effects of the emerging Plan against these key factors. The appraisal under each topic considered the potential effects of the relevant policies against the objectives as well as the interrelationships between topics (and as required by SEA Regulations). This also avoids duplication as many factors are inter-related.
- 2.16 The draft Policies, and the overall likely effects of implementing the plan as a whole, were appraised by topics as follows:
- Communities: Housing & Services/Facilities
 - Economy and Employment
 - Health and Equality
 - Transport and Air Quality
 - Climate Change & Coastal Change: flood risk, resilience & adaptation
 - Water Quality & Water Resources
 - Landscape & Seascape

¹² Any aspect of a plan that may have an impact (positive or negative), but that is not a direct result of the proposed plan.

¹³ Incremental effects resulting from a combination of two or more individual effects, or from an interaction between individual effects – which may lead to a synergistic effect (i.e. greater than the sum of individual effects), or any progressive effect likely to emerge over time.

¹⁴ These arise from the interaction of a number of impacts so that their combined effects are greater than the sum of their individual impacts.

- Cultural Heritage
- Biodiversity & Geodiversity
- Resources: Waste & Minerals; Energy; Soil & Agriculture

Consultation

- 2.17 The SEA Directive and Regulations require early and effective public consultation. The development of the IOSLP has been subject to wide consultation since July 2015. The SA Scoping Report was subject to consultation through the Council's website in July 2015, and including formal consultation with the SEA statutory bodies (Historic England, the Environment Agency, and Natural England). Comments received on the SA scoping were taken into consideration and reported in the final SA Scoping Report (July 2016).
- 2.18 This SA Report (February 2018) accompanies the second stage Regulation 18 consultation Draft Local Plan for consultation during 16 March-11 May 2018 and available on the Council's website. Any comments made on the SA will be reported in the next stages of plan-making and SA/SEA – the Pre-Submission version for Regulation 19 consultation.

3.0 SUSTAINABILITY CONTEXT, OBJECTIVES & BASELINE CHARACTERISTICS

Introduction

- 3.1 The SA/SEA Scoping Report was published in July 2016, and the scoping process was undertaken by the Council. Section 4 of the Scoping Report set out the identification of relevant policies, plans, projects (PP Review) and environmental protection. Section 5 detailed the baseline information and Section 7 focused on the SA Framework. Responses as a result of consultation were received and taken into consideration for the final Scoping Report.
- 3.2 The SEA Regulations require the collation of baseline information to provide a background to, and evidence base for, identifying sustainability problems and opportunities in the Plan area. This then provides the basis for predicting and monitoring effects of the Plan. The aim is to collect only relevant and sufficient data on the present and future state of the Plan area to allow the potential effects of the draft Local Plan to be adequately predicted. Comprehensive baseline information is provided in the SA/SEA Scoping Report (July 2016).

2018 Updated Plans and Projects

- 3.3 Since the 2016 Scoping Report was published new Plans and Projects have been commissioned or published which are relevant to the Isles of Scilly Local Plan, taken into account and as follows:
- 3.4 Historic England, Action Plan 2015-2018: Details how Historic England will meet and achieve their aims and objectives, which includes protecting England's most important heritage, supporting constructive conservation and maintaining heritage assets throughout the country.
- 3.5 Air Quality Plan for Nitrogen Dioxide (2017): Sets out how the government plans to tackle levels of nitrogen dioxide in major cities where there are associated health risks with large concentrations. This includes establishing a clean air fund for local authorities and promoting low emission buses.
- 3.6 Housing White Paper (2017): Details the Government's reforms to increase housing supply whilst ensuring that the housing market is more efficient and meets the needs for all households.
- 3.7 South West Marine Plan Area Iteration1 (February 2017): The early stages of the development for the South West Marine Plan Area, and details the vision and objective of the Marine Policy Statement; also contains some draft policies under development.
- 3.8 Cornwall and Isles of Scilly Shoreline Management Plan 2 – Mid Term Review (November 2016): Evaluates the progress delivered by the Shoreline Management Plan, and assesses the potential actions to address areas where the Plan is not delivering expected results.

- 3.9 Energy Infrastructure Plan for the Isles of Scilly (May 2016): Outlines the existing energy infrastructure for the settlement and how the use of renewable energy sources can be increased. The Plan details the use of different energy sources to meet the targets for renewable energy use on the islands.
- 3.10 Isles of Scilly Local Flood Risk Management Strategy (March 2017): Aims to reduce the number of people at risk of flooding, and increases the resilience of the Isles of Scilly to flood events through management schemes linked with national and regional approaches.

Baseline Conditions & Likely Evolution without the Local Plan

- 3.11 Below is a summary of the baseline conditions for the Isles of Scilly Plan area. A more detailed version of the baseline is available within the 2016 SA Scoping Report¹⁵. Where possible the baseline has been updated to ensure accuracy with the current conditions of the Plan area.
- 3.12 **Environment & Water:** The Isles of Scilly contain a range of internationally and nationally protected biodiversity sites, including a SAC complex, a SPA complex and a Ramsar complex, all comprising individual sites spread across the archipelago. Natural England have also proposed a large extension to the existing SPA which would add the marine habitats of the islands to the designation, however this proposal has not been adopted at this time¹⁶. The archipelago contains 26 SSSI designations over 25 sites, and 16 BAP Priority Habitats, with 87% of the non-urban landscape units considered to have a high ecological value. The isles are renowned for the presence of breeding seabirds, although a number of seabird species have been identified as suffering from declining populations.
- 3.13 Overall 293 priority species in the islands have been identified as being in need of conservation action. Issues adversely affecting the islands biodiversity features include the encroachment and introduction of invasive species, agricultural practises, recreational pressure and climate change. Water quality on the islands is generally high, however groundwater sources are at risk of pollution from chemicals used in agricultural practises. Some of the islands sewerage networks, especially Hugh Town, require infrastructure upgrading to cope with capacity issues and to prevent harmful effluent entering marine waters. Water availability is key to the isles agricultural industry. There is an identified information gap with regards to the islands current freshwater resources, however, it is known that water resources are being stretched to capacity and need to be managed to ensure groundwater supplies are not adversely impacted. In the summer months especially, the desalination plant is key for supplementing freshwater supplies on St Mary's. Fluvial flooding is not an issue on the islands, however coastal flooding is, and is expected to worsen as a result of climate change.
- 3.14 **Social & Economic:** The islands have a stable but aging population as younger people leave for the mainland in search of employment and homes.

¹⁵ <http://www.scilly.gov.uk/planning-development/local-plan-review/sustainability-appraisal>

¹⁶ Natural England (January 2018) Proposals for a marine extension to the Isles of Scilly Special Protection Area

74% of the population in employment, however wages are low (average £5.18 per hour) and many jobs are part-time and only seasonal, with the cost of living being an issue for island residents. Education attainment on the islands is high, with 73% of 16 year olds achieving 5+ GCSE's at A to C level, higher than the South West average (56%). There are no educational facilities on the islands for over 16s, who have to travel to the mainland for further education, and the Five Islands School on St Mary's is currently considered as 'inadequate' by Ofsted¹⁷.

- 3.15 The isles are considered to be least deprived with regards to crime, employment, health and education. However, they are considered most deprived with respect to barriers to housing and services, which impact the smaller less inhabited islands more. Fuel poverty is an issue, as is the lack of sustainable, healthy food being grown locally. Islanders have good access to open space, and walking and cycling are popular forms of transport with positive effects on healthy living.
- 3.16 **Cultural Heritage:** The whole of the archipelago is designated as a Conservation Area, and the islands have the highest concentration of Scheduled Monuments in the UK, although 33 of the Scheduled Monuments are on the At Risk register. The built environment on the isles has a predominance of heritage buildings and the entire coastline is designated as Heritage Coast. The surrounding ocean contains a large number of ship wrecks and the isles have a substantial amount of currently undesignated archaeology. Climate change, vegetation, visitor pressure and land-use are all considered as major threats to the heritage landscape of the Isles of Scilly.
- 3.17 **Air Quality & Climate Change:** The isles are not considered to have any Air Quality issues, and no AQMA zones have been declared. Climate change is expected to have a negative impact on the local ecosystems, with extreme temperatures, drought, sea level rise, saline intrusion and stormier weather likely to occur as a result. Populations of seabirds in the islands are likely to be severely affected by climate change. The Isles of Scilly has a high per capita energy consumption compared to the rest of England, however this can be addressed by retrofitting dwellings and ensuring new development is more sustainable, and increasing renewable energy sources. The Council have prepared a Climate Change Strategy (2011) to provide more information on the impacts climate change will have on the isles, and have an Energy Infrastructure Plan in place to promote renewable energy use.
- 3.18 **Landscape & Seascape:** The whole of the archipelago is designated as an Area of Outstanding Natural beauty. Hedgerows are a particularly important characteristic of the isles farmed landscape used to shelter fields from the strong Atlantic winds. The Landscape Character Study highlights the landscape of the isles being at risk from neglect, tourism, insensitive development, and a decline in traditional management. Coastal erosion is also a risk as the islands are exposed to extreme weather and strong waves, and the Shoreline Management Plan outlines priority areas where future work

¹⁷ <https://www.compare-school-performance.service.gov.uk/school/133554>

to prevent and lessen the impact of coastal erosion on the islands needs to take place.

- 3.19 **Evolution without the IOSLP:** Without the IOSLP there is the potential for water resources to be unsustainably used and contaminated through agricultural practises and septic tank seepage, and the sewerage infrastructure in the main towns will struggle to meet capacity needs without the current network being upgraded. Fuel poverty will continue to be an issue, as will the low average wage, poor access to services and facilities, and the aging population. A strong Local Plan that provides affordable houses, better access to services and better employment prospects will encourage younger residents to remain on the island. Without cohesive planning legislation provided in the Local Plan, development could result in negative impacts on the Isles landscape and heritage assets, and could be placed in locations which are at risk of sea flooding as a result of climate change.

Key sustainability Issues, Problems and Opportunities

- 3.20 The collection and assessment of baseline information regarding the Plan area highlights the key sustainability issues within the Isles of Scilly. The sustainability issues are an important part of the SA process as they have informed the SA framework which will be used to assess the Draft Local Plan. The key sustainability issues can be seen below.
- High biodiversity value of the archipelago, with several European and national designated sites present, needs to be protected from adverse effects, with several species identified as being in need of conservation measures to protect populations.
 - A requirement for affordable housing to meet the needs of the islands communities
 - Lack of access to some key services/facilities, including secondary education facilities, for the islands populations.
 - The low average wage and lack of employment opportunities for local residents
 - Water pollution occurring from seepage of septic tanks and the run-off from agricultural land, as well as the release of untreated sewage into the surrounding marine waters
 - Waste water infrastructure suffers from capacity issues, especially during the summer months when tourism levels are high
 - The islands are at risk of rising sea levels due to global warming, and coastal change/coastal erosion puts development on the islands at risk of flooding
 - Improve transport links with the mainland and between the individual islands, and promote sustainable transport use
 - The designated heritage assets (including Listed Buildings and Scheduled Monuments) need to be protected from negative development effects, and there is the potential to enhance existing knowledge regarding undesignated heritage assets.
 - The islands have a distinct landscape/seascape character, which is at risk from negative effects if development is placed in sensitive areas

and/or is poorly designed and does not match the existing character of the area.

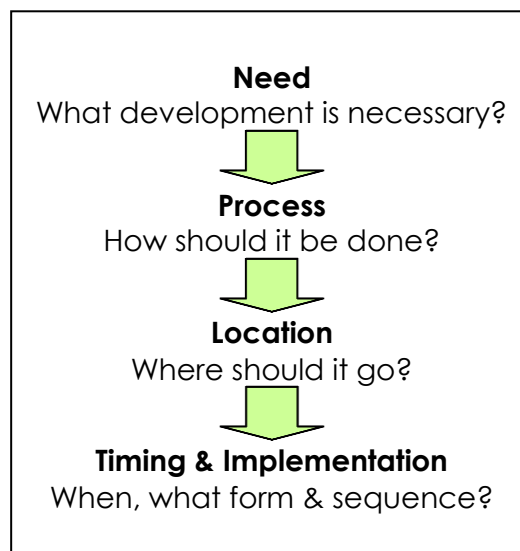
- Making the islands more self-sufficient with regards to energy, and reducing greenhouse gas emissions by using renewable energy sources and moving towards a low carbon economy

4.0 ALTERNATIVES IN SUSTAINABILITY APPRAISAL & OPTIONS IN PLAN-MAKING

Assessment of Alternatives in SA/SEA

- 4.1 The EU SEA Directive¹⁸ requires assessment of the likely significant effects of implementing the plan and “reasonable alternatives” taking into account “the objectives and geographical scope” of the plan and the reasons for selecting alternatives should be outlined in the Report. The Directive does not specifically define the term “reasonable alternative”; however, UK SA/SEA guidance¹⁹ advises that it should be taken to mean “realistic and relevant” i.e. deliverable and within the timescale of the plan. The NPPF (paragraph 165) requires that a Sustainability Appraisal which meets the requirements of the SEA Directive should be integral to the plan preparation process.
- 4.2 Extant SEA guidance²⁰ sets out an approach and methods for development and assessment of alternatives. This includes acknowledgement of a hierarchy of alternatives that are relevant and proportionate to the tiering of plan-making. Alternatives considered at the early stages of plan-making need not be elaborated in too much detail so that the “big issues” are kept clear; only the main differences between alternatives need to be documented i.e. the assessment should be proportionate to the level and scope of decision-making for the plan preparation. The hierarchy of alternatives may be summarised in the following diagram:

Figure 4.1: Hierarchy of Alternatives in SA/SEA and Options in Plan-Making



- 4.3 Case law in England has clarified and provided further guidance for current practice on how alternatives should be considered in SA/SEA of spatial and

¹⁸ <http://ec.europa.eu/environment/eia/sea-legalcontext.htm>

¹⁹ <http://planningguidance.communities.gov.uk/blog/guidance/strategic-environmental-assessment-and-sustainability-appraisal/>

²⁰ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7657/practicalguidesea.pdf

land use plans. The Forest Heath Judgment²¹ confirmed that the reasons for selecting or rejecting alternatives should be explained, and that the public should have an effective opportunity to comment on appraisal of alternatives. The SA report accompanying the draft plan must refer to, summarise or repeat the reasons that had been given in earlier iterations of the plan and SA, and these must still be valid.

- 4.4 The Broadlands Judgment²² drew upon the Forest Heath findings and further set out that, although not an explicit requirement in the EU SEA Directive, alternatives should be appraised to the same level as the preferred option; the final SA Report must outline the reasons why various alternatives previously considered are still not as good as the proposals now being put forward in the plan, and must summarise the reasons for rejecting any reasonable alternatives - and that those reasons are still valid. The Rochford Judgment²³ confirmed that the Council had adequately explained how it had carried out the comparative assessment of competing sites and that any shortcomings in the early process had been resolved by the publication of an SA Addendum Report; this was subsequently upheld at Appeal.

Assessment of Options in Plan-Making

- 4.5 Development planning issues, such as how much, what kind of development and where, are considered within the requirements of legislation and policy together with the characteristics of the plan area and the views of its communities. Potential options for resolving such issues are identified by the Councils through various studies, such as population projections and housing need, community strategies, infrastructure capacities, and environmental constraints analysis – and through consultation with the regulators, the public, businesses, service providers, and the voluntary sector.
- 4.6 At the earlier and higher levels of strategic planning, options assessment is proportionate and may have a criteria-based approach and/or expert judgment; the focus is on the key differences between possibilities for scale, distribution and quality of development. At this early stage, the options presented may constitute a range of potential measures (which could variously and/or collectively constitute a policy) rather than a clear spatial expression of quantity and quality. Each option is not mutually exclusive and elements of each may be further developed into a preferred option. As a plan evolves, there may be further consideration of options that have developed by taking the preferred elements from earlier options. Thus, the options for plan-making change and develop as responses from consultation are considered and further studies are undertaken.
- 4.7 At the later and lower levels of development planning for site allocations, options assessment tends to be more specific, often focused on criteria and thresholds, such as land availability, accessibility to services, and impacts on local landscape - and particularly informed by technical studies such as the Strategic Housing Market Assessment (SHMA), the Strategic Housing Land

²¹ Save Historic Newmarket Ltd v Forest Heath District Council (2011) EWHC 606

²² Heard v Broadland District Council, South Norfolk District Council, Norwich City Council (2012) EWHC 344

²³ Cogent Land LLP v Rochford District Council (2012) EWHC 2542

Availability Assessment (SHLAA), and Strategic Flood Risk Assessment (SFRA). There is a hierarchy of options assessment with sites that are not viable or deliverable or might have adverse effects on protected environmental assets rejected at an early stage.

- 4.8 The role of the SA is to inform the Council in the selection and assessment of options; SA is undertaken of those reasonable alternatives (options) identified through the plan-making process. The findings of the SA can help with refining and further developing these options in an iterative and ongoing way. The SA findings do not form the sole basis for decision making – this is informed also from planning and other studies, feasibility, and consultation feedback.

Options for Accommodating Growth in the Isles of Scilly

- 4.9 The special characteristics of the Isles of Scilly, including the important designated environmental assets, limit the number of meaningful options that could be investigated in plan-making. However, strategic options were identified for five Policies including protection of retail, housing strategy, affordable homes, windfall housing, and new employment development; the options were subject to SA using the full SA Framework of Objectives.
- 4.10 The Council of the Isles of Scilly conducted a limited 'call for sites' which meant only the Duchy of Cornwall and the Council were asked to put sites forward. This produced 26 potential housing sites across the islands. The proposed sites were then subject to a Strategic Housing Land Availability Assessment (SHLAA, 2016), and this provided information and gives an indication of how housing requirements could potentially be met. The SHLAA identified 10 proposed sites which have the potential for future housing developments and were considered to be reasonable – deliverable within the Plan period. These site options were subject to SA using the full SA Framework of Objectives.
- 4.11 It may be noted that “doing nothing” is not a reasonable alternative for the Local Plan since the Council has a duty to plan positively for objectively identified needs for housing and employment land.

5.0 SA OF THE DRAFT ISLES OF SCILLY LOCAL PLAN

Vision, Strategic Aims & Objectives, Spatial Strategy

- 5.1 The Isles of Scilly Local Plan proposes a Vision for development in the archipelago. The Vision outlines how the Isles of Scilly will look by the end of the Plan period, and is divided into six key topics that relate to the identified key issues for the islands, including: world-class environment, housing and employment needs, services, facilities, infrastructure, and sustainable transport, as follows:

Table 5.1: Draft Isles of Scilly Local Plan Vision

<i>In 2030: The Isles of Scilly is a highly desirable place where people are able to live well, work productively, move freely between islands and the mainland and benefit from excellent education, leisure, health and social care facilities within a world class environment in harmony with nature. The distinctiveness and exceptional environment and influence of the sea continue to provide a strong sense of community, identity and belonging that remain vital assets for the islands economy and well-being.</i>
<i>In 2030: Innovative systems and technologies have taken advantage of the islands location and environment and provided the catalyst for achieving exemplar and innovative sustainable development and a model for how other communities around the world can benefit.</i>
<i>In 2030: The islands communities have access to a range of homes that are more affordable, adaptable and accessible to everyone, including families and older people.</i>
<i>In 2030: The Isles of Scilly is strong, competitive and diverse economy that benefits from inward investment and innovation. Businesses have access to a locally based, highly skilled workforce reflecting high quality learning as well as internships and cultural exchanges through, for example, the Smart Island programme.</i>
<i>In 2030: The islands infrastructure is a beacon of sustainability to the UK and beyond and provide an affordable, innovative and low carbon model for managing energy, water and waste with considerable benefits to the environment and the quality of life to residents.</i>
<i>In 2030: Residents, businesses and visitors enjoy more affordable, resilient and reliable transport links to the mainland and between islands throughout the year following improvements to transport services and networks</i>

- 5.2 The SA compatibility analysis of the Draft Plan Vision is detailed in Appendix IV. The assessment found that each of the six topics in the Vision was generally compatible with the majority of the SA Objectives. Some SA Objectives were not applicable to the Vision and would have only neutral effects. The Vision recognises the distinctive and exceptional environmental character and assets of the Isles, including the sea, with overall positive effects for SA

Objectives on biodiversity and landscape. The strong wording for the first two aspects of the Vision means they are considered to have positive effects for all SA Objectives, as they will benefit communities whilst protecting and enhancing the islands natural and built environment. The Vision for exemplar and innovative technologies and as a model for other island communities, together with a strong and diverse economy, indicates positive effects for SA Objectives on economy and employment. The Vision for a beacon of sustainability with a low carbon model promotes positive effects for SA Objectives on energy, climate change, transport, water and waste management. The Vision for affordable, resilient and reliable transport links to the mainland and between islands will have direct positive effects on SA Objectives for transport and indirect positive effects for other SA Objectives by supporting the overall sustainability of the islands.

- 5.3 The compatibility assessment of the Draft Local Plan Strategic Aims and Objectives is also presented in Appendix IV of this SA Report. Similarly, many of the SA Objectives were not relevant to the Strategic Objectives but would not be incompatible and neutral effects identified. Aims 1 and 2, and the Objectives within, were found to have mostly positive effects on sustainability objectives relating to the natural environment, biodiversity and human health. Positive effects were considered for health and housing for Aim 3, and positive effects on economy and employment for Aim 4. Aim 5 was found to have positive effects on SA objectives relating to health, services and facilities, and transport. Aims 6 and 7 will have positive effects on biodiversity, air quality and health through mitigating and adapting to climate change.
- 5.4 The emerging draft Spatial Strategy was subject to SA using the full SA Framework at an early stage of plan-making in autumn 2017 and the SA findings informed decision-making to progress the preferred options for Regulation 18 consultation. The details of the SA are provided in Appendix IV of this SA Report.
- 5.5 The Spatial strategy is considered to have major positive effects on SA Objectives for housing and services/facilities by providing 105 affordable homes through the Plan period, and the support and provision of new services/facilities. Further positive effects include benefits for human health as a result of housing and service/facility improvements. The Spatial Strategy will have positive effects on the economy, water and air quality, transport, climate change, landscape, heritage energy and soil. No significant negative effects were identified through the SA of the Spatial Strategy. The summary findings of the SA are shown in the table, as follows:

Table 5.2: The Spatial Strategy Summary SA Findings

SA Objectives	1	2	3	4	5	6	7	8	9
	Landscape, heritage and nature protection	Build at least 105 affordable homes by 2030	Concentrate new homes in Hugh Town and Old Town	Competitive, diverse and resilient economy	Smart Islands Programme implementation	Infrastructure and Utility improvements	Support the needs of the off island communities	Support new tourist accommodation and facilities	Climate change and transport
1: Enhance habitats	+	0	+	0	0	0	0	0	+
2A: Housing	0	++	++	0	0	0	++	0	0
2B: Services and Facilities	0	+	+	0	0	++	++	0	0
3: Sustainable economy	0	0	0	+	0	0	+	+	0
4: Human Health	0	+	0	0	0	0	0	0	+
5a: Water Quality	+	0	0	0	+	+	0	0	0
5B: Water Resources	0	0	0	0	0	+	0	0	0
6: AQ & Transport	0	0	0	0	0	0	0	0	+
7: Climate Change	0	0	0	0	+	0	0	0	+
8: Cultural & Heritage	+	0	0	0	0	0	0	0	0
9: Landscape	+	0	0	0	0	0	0	0	0
10A: Waste & Minerals	0	0	0	0	0	0	0	0	0
10B: Energy	0	0	0	0	+	0	0	0	0
10C: Soil & Agriculture	0	0	+	0	0	0	0	0	0

Strategic Policy Options

5.6 As previously introduced in Section 4 of this report, the plan-making identified five strategic policies for which there could be reasonable alternatives and these are summarised, as follows:

Table 5.3: Policy Options Considered through SA

Policy Name & Number	Strategic Options
Option 1 Policy SS4: Protection of Retailing & Community Facilities	1A Define a town centre boundary or areas of retail frontage where unnecessary loss of ground floor retail or ancillary retail could be resisted, unless sufficient justification on viability is provided.
	1B Do Nothing – continue as previous plan with no town centre boundary defined and apply Policy SS4 to any existing ground floor retail or ancillary retail.
Option 2 Policy LC1: Housing Strategy to 2030	2A Permit open market homes as a means to deliver affordable homes to meet the needs of the community. Seeking to impose a principal residence condition on any open market.
	2B Accept that unfettered open market homes (that is open market without a principal residence condition) could be permitted without restriction. Policy would need to be reviewed to ensure that once affordable housing target reached, no further market homes would be permitted.
Option 3 Policy LC2: Occupying Affordable Homes	3A Revise the qualifying criteria for Special Local Need (SLN) and remove the Key Worker criteria and status and replace with a general staff accommodation policy.
	3B Do Nothing – continue as previous SPD ²⁴ with no revision to qualifying criteria.
Option 4 Policy LC7: Windfall Housing	4A Define settlement boundaries on St Mary's around existing settlements defined as Hugh Town, Old Town, Telegraph/McFarlands Down, Porthloo, Holy Vale, Normandy.
	4B Settlement boundaries not defined & development sites allocated together with a criteria-based policy that permits development on windfall sites that are well-related to existing dwellings & do not harm the wider landscape.
Option 5 Policy WC3: New Employment Development	5A In order to safeguard employment land the plan could define where employment protection policy would relate to, for example, Porthmellon Industrial Estate.
	5B Do Nothing – continue as previous plan with no definitions for employment protection policy

5.7 Each option was subject to SA using the full SA Framework and details are provided in Appendix V of this SA Report. The preferred option for each Policy is presented in the Draft Local Plan with reasoning and a summary of the alternative option considered. These are presented as Consultation Options 1-5 and comments are specifically invited through the Regulation 18 formal

²⁴

<http://www.scilly.gov.uk/sites/default/files/document/planning/Specific%20Local%20Need%20Criteria%20and%20Application%20Form.pdf>

consultation on the proposed preferred options for these Policies. A summary of the SA findings is provided in the table, as follows:

Table 5.4: Consultation Options Summary SA Findings

SA Objectives	Consultation Options in Draft Local Plan									
	Option 1		Option 2		Option 3		Option 4		Option 5	
	1A Town Centre Boundary	1B Do Nothing	2A Settlement Boundaries	2B Do Nothing	3A Revise Criteria for	3B Do Nothing	4A Settlement Boundaries	4B Do Nothing	5A Revise Criteria for	5B Do Nothing
1: Prevent loss of & enhance habitats	0	0	0	0	0	0	+?	0?	0	0
2A: Housing	0	0	++	+	++	++	+	0?	0	0
2B: Services and Facilities	+	0	+	0	0	0	+	-	0	0
3: Sustainable economy	+?	0	0	0	0	0	0	0	+	+
4: Human Health	0	0	++	+	+	+	+	+	+	+
5a: Water Quality	0	0	0	0	0	0	0	0	0	0
5B: Water Resources	0	0	0	0	0	0	0	0	0	0
6: Air Quality & Sustainable Transport	0	+?	0	+?	0	0	0	+?	0	0
7: Climate Change	0	0	0	0	0	0	0	0	0	0
8: Cultural & Heritage Assets	0	0	0	0	0	0	0	0	0	0
9: Landscape	0	0	+	0?	0	0	+	-?	0	0
10A: Waste & Minerals	0	0	0	0	0	0	0	0	0	0

- 5.8 **Policy SS4 Consultation Option 1:** The SA found mostly neutral effects for SA Objectives and little differentiation between the two options. Defining a town centre boundary/areas of retail frontage where unnecessary loss of ground floor retail could be resisted is likely to progress positive effects with regard to minimising vacancy rates and encouraging a focus and protection for retail facilities helping to maintain or improve services for all islanders – with positive effects for communities. Protection of retail could have indirect effects on objectives for sustainable economic development and employment by helping to maintain or improve community vitality and vibrancy of town centres with likely positive effects but some uncertainty at this stage of assessment.
- 5.9 **Policy LC1 Consultation Option 2:** The SA found many neutral effects for SA Objectives but some clear comparative effects. For the preferred Option 2A, new homes will be delivered on land specifically allocated for such purposes in accordance with Policy LC6 and on windfall sites in accordance with Policy LC7 – and be required to ensure an appropriate mix; all residential schemes will be required to provide as much affordable homes as viably possible with open market housing only permitted to finance and fund the delivery of affordable homes. This indicates that the Council can deliver its objectively assessed housing requirements (OAHN) over the plan period – and major positive effects indicated for SA Objectives on housing and health. With a rural exceptions style approach only and no housing figure set, there is a risk that the housing need would not be delivered indicating only minor positive effects for the do-nothing Option 2B. By allocating housing within Hugh Town and Old Town, the pressures on the open countryside will be reduced with likely positive effects for Option 2A compared to neutral for Option 2B that relies on other Policies to protect the landscape.
- 5.10 **Policy LC2 Consultation Option 3:** Most SA Objectives are not relevant to the Options 3A & B on revising criteria for Specific Local Need with a change from an SPD approach to Plan Policy, and neutral effects are indicated. Both options are likely to have major positive effects on SA Objectives for housing, including affordable and accommodation for all, with further positive effects for equality and human health and well-being.
- 5.11 **Policy LC7 Consultation Option 4:** Many SA Objectives are not relevant to the Options 4A & 4B on defining settlement boundaries for windfall housing. For Option 4A, provision of housing will have direct positive effects for SA Objectives on housing and health; directing windfall sites to existing settlements will have positive effects on SA Objectives for access to services and facilities; also, potential minor positive effects for sustainable transport as reducing the need to travel by car.
- 5.12 Further positive effects are indicated for protecting internationally designated (and non-designated but locally important) habitats and species, and the nationally important landscape by avoiding the open countryside and ensuring that windfall sites are guided within or adjoining settlement boundaries. In comparison, Option 4B may have negative effects on landscape, access to services/facilities, and will not promote sustainable

transport; some uncertainty of significance at this stage as depends on precise location – but will be cumulative in the longer term.

- 5.13 **Policy WC3 Consultation Option 5:** Most SA Objectives are not relevant to Options 5A & B on employment land and neutral effects are indicated. Both options will have positive effects on SA Objectives for employment and human health and well-being. The specific reference to the Industrial Estate in the preferred option would provide more clarity and could be more efficient of use of brownfield land with some uncertainty of the extent of positive effects predicted.

Options for Site Allocations

- 5.14 As previously introduced in Section 4 of this SA Report, a limited number of options for potential site allocations were identified and subject to SA with details provided in Appendix VI of this SA Report. Generally, the Council has selected those site options that best promote sustainable development and avoid/reduce any negative effects. Two site options (Bay View & Sandy Banks in Hugh Town) were not progressed at this stage in the draft Plan, because it was felt that the other options at Carn Thomas and Old Town represented the most sustainable places to achieve the five-year housing land supply. There are also some potential constraints including the low-lying land with greater risk of flooding and the proximity of the industrial estate.
- 5.15 The summary findings of the SA of the site options is shown in Table 5.5 following and summary discussion is provided for the preferred options in the following consideration of the effects of the draft Plan against sustainability themes.

Table 5.5: Options for Site Allocations Summary SA Findings

SA Objective	Hugh Town						Old Town	
	A7 & A7a		A11		A12		A13, 14, 15, 16, 17, 178	
1. Prevent loss of and enhance habitats	0		0		0		0	
2a. Housing	++		++		++		++	
2b. Services and Facilities	0?		0?		0?		0?	
3. Economy and Employment	0		0		0		0	
4. Safeguard and enhance human health	0	+	0	+	0	+	0	+
5a. Maintain and improve water quality	0?		0		0		0?	
5b. Use water efficiently and protect water	0		0		0		0	
6. Maintain air quality and improve sustainable transport	0	+	0	+	0	+	0	+
7. Coastal Change; Greenhouse Gas Emissions	0	+	0	+	0	+	0	+
8. Cultural heritage	0		0		0?		+	
9. Protect and enhance the landscape	+		0		0		0	
10a. Waste & Minerals	0		0		0		0	
10b. Energy	+		+?		+?		+?	
10c. Soil & Agriculture	0		0		-?		-	

The draft Isles of Scilly Local Plan

- 5.16 The Sustainability Appraisal (SA) of the emerging Draft Local Plan is structured under topic headings that have been linked to Objectives in the SA Framework as well as topics in the SEA Directive and paragraphs in the NPPF (as previously explained in Section 2 of this SA Report). This provides a robust framework and structure to evaluate the likely significant effects of implementing the Plan against these key topics for sustainable development.

Communities: Housing & Services/Facilities

SEA Directive Topics: Population & Human Health

NPPF paragraphs 47-68

Relevant SA Objectives:

- SA Objective 2: To support sustainable communities 2A Housing; 2B Services & Facilities

- 5.17 **Appraisal of Draft Isles of Scilly Local Plan Policies:** Policies in Chapter 3 of the Local Plan address housing within the Plan area. Policy LC1 sets out the overall housing strategy for the Isles of Scilly, with an identified need for 105 affordable homes being provided in the Plan period. The delivery of housing within the islands will meet the need for local communities, with a focus on providing affordable housing to promote a sustainable housing stock, with open market housing provided where required to enable the delivery of affordable housing. The delivery of housing to meet the needs of local communities, and the promotion of affordable housing to create a sustainable housing market, will have long-term positive effects for housing.
- 5.18 Policies LC2 and LC3 promote affordable and accessible homes, which will help meet the housing requirements of all groups within the community. Policies LC4, LC8, LC9 and LC10 will manage the existing housing stock, its uses and the tenures of the dwelling, which will help manage the existing housing market which will benefit local communities. Policies LC6 and LC7 allocate sites and detail criteria for windfall housing, which will support the delivery of the identified housing requirement with long-term positive effects on the topic.
- 5.19 Existing services and community facilities are protected through Policy SS4. This includes the protection of ground floor retail units, public houses and cultural facilities. These services and facilities are key for local communities, and the safeguarding of rural centres and cultural facilities will have long-term positive effects for access to key services and facilities on the islands. Furthermore, the development of new retail spaces will strengthen and enhance the existing services, with associated positive effects.
- 5.20 **Appraisal of Site Allocations:** All the site allocations within the Local Plan will have major positive effects on housing. The allocations will focus housing on the island of St Mary's, in the main settlements of Old Town and Hugh Town. The allocations will meet the identified need for 105 dwellings in the Plan

period. All site allocations will have access to some services and facilities which are available on the island, and will not result in the loss of any existing services or facilities. However, due to the small size of the site options, they are not considered likely to provide new services or facilities, and the capacity of existing services or facilities is not known, with neutral but uncertain effects considered.

- 5.21 **Synergistic and Cumulative Effects:** The Isles of Scilly Local Plan will have major short to long term major positive cumulative effects on housing through the provision of new homes to meet the objectively assessed need of the Plan area during the life of the Plan. Housing will meet the needs of local communities and create a sustainable housing market on the islands through the promotion of affordable housing. Policies which manage the existing housing stock will have positive synergistic effects on Policies which allocate housing, with the Policies creating a housing market that benefits all members of the community. The protection of existing services and facilities will have cumulative positive effects with the provision of new retail facilities on the vitality of the islands' communities. There is the potential for synergistic effects between housing and services/facilities, as housing can support services and facilities and there is the potential for new development to contribute to improvements to existing services and facilities.
- 5.22 **Interrelationships with other Topics:** The provision of housing and the protection and enhancement of services and facilities has the potential for indirect positive effects on a number of other topics, which include economy and employment, health and equality, and transport and accessibility. However, the delivery of housing also has the potential for negative effects on a number of topics including biodiversity, air quality, climate change, water resources, water quality, flooding, landscapes, cultural heritage and waste and recycling.

Economy and Employment

SEA Directive Topics: Population & Human Health
NPPF paragraphs 18-22, 28

Relevant SA Objectives:

- SA Objective 3: To support sustainable economic development & employment

- 5.23 **Appraisal of Draft Isles of Scilly Local Plan Policies:** Policies in Chapter 4 of the Draft Local Plan focus on the economy and employment sector within the islands. The economy in the archipelago is reliant on tourism, agriculture and horticulture, and there are high numbers of small businesses that are vulnerable to shocks and downturns. However, unemployment levels are low. The Plan seeks to strengthen and enhance the islands' economy in a sustainable way, ensuring that the valued natural environment is not exploited to the extent that negative effects occur. The Smart Islands Programme²⁵ will contribute to diversifying and increasing the resilience of the

²⁵ <https://www.cioslep.com/isles-of-scilly/smart-islands>

economy through increasing renewable energy generation, reduce energy bills, and deliver internships and STEM skills for young people.

- 5.24 The Local Plan does not provide a number of new jobs to be created through the Plan period. However, Policies WC1 and WC3 will support development that strengthens, enhances and diversify the islands' economy, with long-term major positive effects. Policy WC2 will promote home based business with positive effects as businesses can grow without the requirement of new development, and Policy WC4 will safeguard existing employment land with positive effects. Policy WC5 aims to protect and enhance the tourism economy of the islands, with an aim to support the Vision of the islands being an internationally competitive visitor destination. The Policy provides criteria which new or upgraded tourist development should meet. Major long-term positive effects are considered through the support of a vital part of the islands' economy.
- 5.25 The vitality of town centres is supported through Policy SS4 which will have positive effects on the economy and employment opportunities for local residents. The safeguarding of transport between the island and the mainland in Policy SS10 is vital for the support of the tourism economy, and therefore positive effects are considered for this Policy.
- 5.26 **Appraisal of Site Allocations:** None of the site allocations are proposing employment development, and will not result in the loss of existing employment land. Therefore, no significant positive or negative effects were considered on the economy or employment for any of the site allocations.
- 5.27 **Synergistic and Cumulative Effects:** Overall, the Draft Local Plan will have major short to long term positive cumulative effects on the economy and employment through the management of any new employment development to ensure it is sustainable and improves the islands economy. Furthermore, the Local Plan will aim to diversify the economy to make it more resilient, and safeguard key industries, including tourism, with cumulative positive effects.
- 5.28 **Interrelationships with other Topics:** Transport is strongly linked with economy and employment in the Isles of Scilly due to the influence it has on tourism, which is a large part of the economy. Furthermore, the topics of biodiversity, water quality, air quality and cultural heritage effect the economy as they can influence tourism levels. The agriculture industry, a strong part of the local economy, is also closely linked with the soils topic.

Health & Equality

SEA Directive Topics: Population & Human Health
NPPF paragraphs 69-78

Relevant SA Objectives:

- SA Objective 2- To support sustainable communities 2A Housing; 2B Services & Facilities
- SA Objective 3: To support sustainable economic development & employment
- SA Objective 4: To safeguard and enhance human health
- SA Objective 10B: Energy (fuel poverty)

- 5.29 **Appraisal of Draft Isles of Scilly Local Plan Policies:** Development proposed in the Draft Local Plan has the potential to affect health and equalities in a number of different ways. The construction of new development proposed in Policies LC1 and LC6 can have short-term negative effects on health through increased levels of disturbance, and noise and light pollution. Negative effects are considered to be mitigated through Policies OE5, OE6, SS1 and SS2, and through the required project level assessments. However, the delivery of housing development through Policies LC1, LC6 and LC7 will have positive effects on health, and the mixed type of development detailed in Policies LC2, LC3 and LC10 will have positive effects on equality.
- 5.30 A number of the Policies within the Draft Plan have the potential for positive effects on health and equality. Policies such as SS1 and SS2 will promote sustainable development, creating a high quality built environment which will promote healthier lifestyles through design which includes open spaces and promotes safety. All residents will benefit from an enhanced community, with long-term positive effects on physical and mental health.
- 5.31 The protection of services and facilities will have positive effects on health as healthcare facilities will be safeguarded and accessible for residents. The vibrancy of the communities will be maintained and enhanced by the vitality of services and facilities. Policies SS9 and SS10 will safeguard transport between islands and the mainland, and will promote sustainable transport including walking and cycling through the appropriate location and design of development. Sustainable transport will have positive effects on health through the promotion of healthier lifestyles as communities walk and cycle more. Furthermore, Policy SS9 will have positive effects on equality as it details that access routes must be accessible for all residents, including those with mobility and sensory disabilities.
- 5.32 The health of communities is protected through Policies OE5 and OE6 which will manage waste and pollution. Policies OE1-OE4 will protect the natural and built environment, which can have long-term positive effects on health and well-being. The Policies in Chapter 4 focus on safeguarding and strengthening the economy and employment opportunities of the Plan area, which can have positive effects on health for all islanders. Fuel poverty is an existing issue for the islands, and there is the potential for positive effects on

equality to address fuel poverty through Policy SS2. An EqIA report accompanies this SA of the Draft Local Plan, and assesses the effects of the Plan on protected characteristics (details in Appendix VII of this SA Report).

- 5.33 **Appraisal of Site Allocations:** The site allocations will have long-term positive effects on health and equality through providing housing to meet the needs of local communities, including affordable and accessible houses which will meet the needs of protected characteristics with positive effects on equality. The site allocations were all found to be within walking distance of open spaces, including beaches, and will therefore promote healthy lifestyles among residents with positive effects.
- 5.34 **Synergistic and Cumulative Effects:** The Draft Local Plan supports the delivery of new housing, employment and community infrastructure to meet the needs of all residents in the Plan area. The Council seeks to safeguard existing transport between the island and mainland, and seeks to promote the use of sustainable transport modes and healthier lifestyles. The protection and enhancement of the natural and built environment will improve the health and well-being of residents. The Draft Local Plan has the potential for a major long term positive cumulative effect on health and equalities.
- 5.35 **Interrelationships with other Topics:** Health and equalities can be indirectly affected by the nature and significance of effects on the majority of other topics considered through the SA. Positive effects on housing, employment and transport and accessibility can lead to direct and indirect positive effects on health, equalities and communities. Air quality, water resources, water quality, flooding, biodiversity and natural resources, waste, and cultural heritage can also either positively or negatively affect health.

Transport and Air Quality

SEA Directive Topics: Population & Human Health; Material Assets; Air; Climatic Factors

NPPF paragraphs 29-41, 93-108

Relevant SA Objectives:

- SA Objective 6: To maintain air quality & improve sustainable transport

- 5.36 **Appraisal of Draft Isles of Scilly Local Plan Policies:** There are no identified traffic or air quality issues within the archipelago. The small size of the islands and the location of development means that car use is limited. The transport between islands is key for local communities, as is the transport to mainland England. Local residents use boats to transport between islands, also boat services between islands as well as ferry links and air links with the mainland. The safeguarding of existing transport links is key for local communities and the islands' economy.
- 5.37 Policies SS9 and SS10 focus on transport and movement in the archipelago. Policy SS9 addresses the potential increase in vehicle use as a result of new development. The Policy aims to promote sustainable transport, including

walking and cycling, with accessibility to sustainable transport routes for all. The Policy also provides criteria that any development should provide appropriate off-street parking and electric vehicle charging. The Policy is likely to have at least neutral effects and could have minor long-term positive effects on transport within the island, through sustainable transport options and management of parking. The requirement to prepare a Transport Assessment & Travel Plan provides mitigation measures for those developments generating significant movement. Policy SS10 safeguards the vital air and sea transport services for the islands, ensuring that mitigation measures are implemented for any potential negative effects from new development.

- 5.38 There are no designated Air Quality Management Areas in the Isles, and no significant air quality issues. However, the Local Plan aims to protect the air quality in the islands through managing any potential pollution, as detailed in Policy OE5. The promotion of sustainable transport in Policy SS9, and the promotion of renewable energy developments in Policy SS8, will contribute to preventing air pollution with long-term major positive effects.
- 5.39 **Appraisal of Site Allocations:** All site allocations are considered to have the potential for positive effects on sustainable transport. The allocation at Hugh Town was considered to have positive effects on sustainable transport as it is within walking distance to key services and facilities, and this will promote the use of sustainable transport rather than the reliance on private vehicle use. In turn, this will limit increase in emissions from vehicle use. The site allocations at Old Town are further from some key services/facilities which are largely located in Hugh Town, and residents will could rely on private vehicles to access these services/facilities, however there is a pub, shop and sports facilities at Old Town. There are footpaths, and a Council run bus service (the Buzza Bus) for over 60s, which will provide access to Hugh Town with a minor positive effect. However no significant negative effects were considered for air quality due to the overall small potential increase in vehicle use.
- 5.40 **Synergistic and Cumulative Effects:** The Draft Local Plan will have long-term cumulative positive effects for both transport on the islands and on transport between the islands and the mainland. Sustainable transport will be promoted, and appropriate infrastructure for electric vehicles as well. The positive effects for sustainable transport will be synergistic with positive effects on air quality.
- 5.41 **Interrelationships with other Topics:** Positive effects on transport can lead to indirect positive effects on communities and health, and economy and employment. Conversely, when there are negative effects on transport and accessibility there is the potential for indirect negative effects on the same topics. Positive effects on air quality can result in indirect positive effects on biodiversity, health and climate change.

Climate Change & Coastal Change: flood risk, resilience & adaptation

SEA Directive Topics: Air; Climatic Factors; Water; Material Assets

NPPF paragraphs 93-108

Relevant SA Objectives:

- SA Objective 7: Climate Change, Coastal Change; Greenhouse Gas Emissions

- 5.42 **Appraisal of Draft Isles of Scilly Local Plan Policies:** Climate change is a threat to the Plan area as any increase in sea levels and more extreme weather events would have a significant effect on the islands, with an increased chance of coastal flooding. Policies which increase traffic could have negative effects on climate change through increased emissions, however due to the potential increase being so small, any increase in emissions is considered to be negligible. New development will increase energy demand. However, development will accord with sustainable development criteria in Policies SS1 and SS2 which will mitigate against negative effects on climate change as a result of development.
- 5.43 The islands do not experience fluvial flooding, with the main risk of flooding coming from the surrounding marine waters. Policy SS1 also requires development to be located accordingly to minimise flood risk. Policy SS7 provides criteria which development must meet with regard to flood risk avoidance, ensuring that such mitigation measures are implemented with overall neutral effects. Any new development must have a Flood Risk Assessment - and contain appropriate sustainable drainage systems, with potential minor positive effects on managing flood risk for development. Strong mitigation is provided through the requirement for the application of the Precautionary Principle if there is any doubt regarding risk. The Isles of Scilly Flood Risk Management Strategy and the Shoreline Management Plan will further actively manage coastal erosion to reduce the risk of coastal flooding.
- 5.44 Policy SS1 also requires development to be located and designed to account for adaptation to climate change, with positive effects through locating development in suitable locations to avoid significant effects associated with climate change. Further adaptation to the potential effects of climate change within the Local Plan Policies include SS6 which will manage water resources, Policy SS8 which promotes renewable development and Policy OE2 which seeks to protect and enhance biodiversity, with potential associated positive effects on adapting and mitigating the effects of climate change.
- 5.45 **Appraisal of Site Allocations:** The site allocations were not considered to be at risk of flooding, with mitigation available through the Flood Risk Management Strategy and the Shoreline Management Plan taken into account, and an overall neutral effect.

- 5.46 **Synergistic and Cumulative Effects:** The Local Plan has strong Policies relating to managing flood risk with a neutral effect. The Plan will also promote the incorporation of sustainable urban drainage systems in new development with cumulative short-term positive effects on flood risk. This will have synergistic effects with adaptation and mitigation to climate change. Development at the site allocations will follow Local Plan Policies that promote sustainable development to be resilient to the effects of climate change. Other Local Plan Policies will reduce the islands' contribution to climate change and increase adaptation.
- 5.47 **Interrelationships with other Topics:** The nature and significance of effects on climate change and flooding is closely linked to housing, employment and transport. Flooding is also closely linked to communities and human health as well as water quality. Increased flood risk can have negative effects on human health as well as indirect negative effects on water quality and the economy.

Water Quality & Water Resources

SEA Directive Topics: Water; Material Assets
NPPF paragraphs 109-125

Relevant SA Objectives:

- SA Objective 5: Maintain and improve water quality and use water efficiently and protect water resources. 5A- Water Quality, 5B- Water Resources

- 5.48 **Appraisal of Draft Isles of Scilly Local Plan Policies:** Development proposed in the Draft Isles of Scilly Local Plan has the potential for negative effects on the water environment through increased levels of abstraction. Development also has the potential to decrease water quality through increased surface water run-off. However, Policies within the Draft Plan can mitigate against these potential effects.
- 5.49 There is an identified information gap with regards to the islands current freshwater resources, however some basic information is known. Water resources are highlighted in the baseline as being stretched to capacity, especially during the peak tourism season when the population of the islands greatly increases. The use of a desalination plant allows groundwater sources to recharge, and water resources are key for the islands' agriculture industry. The sustainable use of water resources is essential, and the Council is the water authority for the island of St Mary's where the proposed new development will be located.
- 5.50 Policy SS6 addresses water management. The Policy provides criteria which new development that is connected to mains or private water supplies will be required to meet. This includes a water consumption standard of no more than 110 litres per person, and an 'excellent' BREEAM107 credit for non-residential development over 500sqm in size. This could have neutral or minor positive effects for water resources on the islands but with some uncertainty at this stage in consideration of the limited water resources and limited information. Policy SS2 focuses on sustainable design, and includes criteria that development should reduce pressure on water resources, and increase

reuse of water through green roofs and grey water harvesting measures, which could have positive effects. Policy SS5 will ensure new development has sufficient infrastructure with neutral effects.

- 5.51 Water quality on the islands is affected by agricultural run-off and wastewater. This can affect groundwater sources and the quality of the marine waters around the islands. Policy SS6 ensures development is connected to appropriate wastewater infrastructure, and that if not possible a waste management system incorporating septic tanks that does not damage environmental or human health is implemented, with long-term neutral effects on water quality. Policy SS5 will ensure development has sufficient infrastructure, including connections to the sewerage network, with at least neutral effects. Policy OE2 protects the natural environment from the effects of development, with at least neutral effects on water quality. Further neutral effects on water quality are provided through Policy OE5 which will control pollution through ensuring development does not have significant adverse effects.
- 5.52 **Appraisal of Site Allocations:** All site allocations were considered to have neutral effects on water resources and water quality. The sites are located away from the main boreholes and groundwater sources for freshwater on St Mary's, which reduces the potential effects on contamination of groundwater. All site allocations are located in areas where connections to the main sewerage network, and to the bio-bubble for Old Town sites, should be achievable. Furthermore, the strong mitigation provided in the Draft Plan Policies will prevent significant negative effects on water quality. Although all site allocations will increase the use of water, no significant negative effects were considered as through efficient design and Plan Policy mitigation the effects on water resources can be mitigated.
- 5.53 **Synergistic and Cumulative Effects:** The sustainable management of water resources in the archipelago is promoted in the Local Plan, and will have cumulative long-term positive effects through promoting design incorporating high water efficiency standards. Cumulative positive effects are also considered for water quality, as the Plan will address potential pollution and ensure appropriate infrastructure is in place for new development. The positive effects on water quality are considered to have synergistic positive effects on water resources.
- 5.54 **Interrelationships with other Topics:** Water quality and resources are also closely linked to biodiversity, climate change adaptation, flooding and health, with the potential for both positive and negative effects. The importance of water resources for agriculture on the islands also means the topic is linked with economy.

Landscape & Seascape

SEA Directive Topics: Landscape
NPPF paragraphs 109-125

Relevant SA Objectives:

- SA Objective 9: Protect and enhance the landscape

- 5.55 **Appraisal of Draft Isles of Scilly Local Plan Policies:** The entire archipelago is designated as an AONB, and the highly valued landscape and seascape characterise the Plan area. The landscape is at risk from negative effects associated with tourism, coastal change, and has suffered from decline in traditional farm management. The delivery of new housing development, employment development, and tourism development, has the potential to both negatively and positively affect the landscape and the AONB settings, as well as important views and vista from the islands. However, the mitigation available through the Draft Local Plan Policies will mitigate against the potential effects of development on the landscape and seascape character of the islands.
- 5.56 The Local Plan will not allow development on the uninhabited islands, to protect the wild landscape and seascape nature of the archipelago. Policy OE1 will protect the landscape character of the archipelago, including the important features and views and tranquillity. The Isles of Scilly Landscape Character Study will be used to inform the design and location of new development. The Policy provides mitigation measures to ensure that there will be no significant harm to the landscape character with overall likely neutral effects.
- 5.57 Further mitigation is provided through Policy SS2, which ensures that the design of new development is respectful of the landscape character, and does not interrupt key landscape views, with positive effects. The dark night skies are a valued feature of the landscape character and the AONB, and will be protected through Policy OE4. The potential negative effects of renewable energy infrastructure, including associated developments such as transmission lines, on landscape – and seascape – is mitigated Policy SS8 and in particular criterion b, and therefore, no significant negative effects and overall effects should be towards neutral.
- 5.58 **Appraisal of Site Allocations:** Development anywhere on the islands will be located within the AONB and has the potential for effects on landscape and seascape character. However, the SA of the site allocations found none would result in significant negative effects on landscape character. The small scale of development at the site allocations, and their location in the existing settlements of Hugh Town and Old Town, avoiding particularly sensitive areas, will limit their potential effects on the landscape. Taking into account the strong mitigation through Draft Local Plan Policies, and project level mitigation, no significant negative effects for the site allocations were identified.

- 5.59 **Synergistic and Cumulative Effects:** Given the policy mitigation provided through the Draft Local Plan and locations within the existing built environment, the development proposed is considered unlikely to lead to any significant negative cumulative effects on the landscape or seascape.
- 5.90 **Interrelationships with other Topics:** The landscape is influenced by and affects a number of the topics considered through the SA. Potential negative effects on the water environment, air quality, biodiversity, heritage and soil can also have indirect negative effects on the landscape. Changes to the landscape can affect communities, health, heritage and biodiversity both positively and negatively. It is considered that policy mitigation is sufficient to ensure that there will no significant negative effects.

Cultural Heritage

SEA Directive Topics: Cultural Heritage, Historic Environment
NPPF paragraphs 126-141

Relevant SA Objectives:

- SA Objective 8: Maintain and enhance cultural and heritage assets; including architectural and archaeological heritage

- 5.91 **Appraisal of Draft Isles of Scilly Local Plan Policies:** The entirety of the archipelago is designated as a Conservation Area, and the coastline is designated as Heritage Coast. There is a diverse mixture of heritage assets on the islands, and substantial levels of undesignated archaeology, including marine and maritime heritage.
- 5.92 All development will inevitably be located within the Conservation Area, and therefore any development has the potential to negatively affect heritage assets through changes to character and/or settings. However, there is also the potential for development to positively contribute to the historic environment through enhancements to features which may be at risk or in a state of deterioration.
- 5.93 Policy SS1, which promotes sustainable development, includes conserving and enhancing the historic environment. Policy SS2 includes conservation of heritage assets and their settings, and will ensure the design of new development is sustainable with regards to its effects on landmark buildings and features, providing strong mitigation measures for potential significant negative effects on the historic environment.
- 5.94 Policy OE3 provides strong protection of heritage, both designated and non-designated, on the islands promoting implementation of mitigation measures that will ensure there are no major significant negative effects on the historic environment. The Policy will promote development that will make a positive difference to sustaining or enhancing heritage assets, including the Conservation Area, Listed Buildings and Scheduled Monuments. This could have the potential for long-term minor positive effects through enhancing heritage assets which are at risk or in poor condition. If a development has the potential to have a negative effect on a heritage asset the development

will need to describe the significance and provide appropriate mitigation. In exceptional circumstances where the public benefits outweigh the effects on heritage, a programme of recording and analysis will be required.

- 5.94 **Appraisal of Site Allocations:** The site allocations are not considered to result in significant negative effects on cultural heritage. The site allocations will have a small capacity for development, which will limit the effect of development on the historic environment. Although some of the site allocations are close to designated heritage features, the strong mitigation provided through Draft Local Plan Policies is considered comprehensive enough to mitigate against significant negative effects.
- 5.95 **Synergistic and Cumulative Effects:** The highly valued cultural heritage of the archipelago is comprehensively protected through Policy OE3. Development that is positively designed to enhance the historic environment has the potential for minor positive effects that would be cumulative in the longer term.
- 5.96 **Interrelationships with other Topics:** Heritage has links to a number of other topics as it can be affected by housing, employment, communities and the natural environment. The protection and enhancement of heritage can also have indirect positive effects on communities, health, and landscapes, and the economy, especially tourism.

Biodiversity & Geodiversity

SEA Directive Topics: Biodiversity, Flora & Fauna; Heath
NPPF paragraphs 109-125

Relevant SA Objectives:

- SA Objective 1: Prevent loss of and enhance habitats

- 5.97 **Appraisal of Draft Isles of Scilly Local Plan Policies:** The Plan area has a high biodiversity value, with a range of international, national and local designations in the archipelago. There are three European designated sites in the Plan area, with current plans to extend the SPA site. There are numerous SSSI sites in the local landscape, which includes a small number of SSSI sites designated for their geological value.
- 5.98 Development on the islands has the potential for negative effects on biodiversity. In the short-term, disturbance as a result of construction can have negative effects on a range of species, and in the longer-term fragmentation of habitats, increased recreational use and pollution can further affect biodiversity. However, this is considered through the appropriate location of site allocations to avoid sensitive areas, and mitigation is provided through a number of Draft Local Plan Policies.
- 5.99 Policy OE2 will protect and enhance biodiversity and geodiversity. The Policy will permit development where it will conserve and/or enhance biodiversity and geodiversity. The Policy provides specific criteria under which case development that has a significant effect on biodiversity will be allowed,

including satisfying the requirements of the Habitats Regulations and mitigating against effects. Specifically, the Policy focuses on protecting and enhancing the following:

- Sites of Special Scientific Interest (SSSIs);
- legally protected species;
- priority habitats and species listed in the national Biodiversity Action Plans;
- habitats and species of principal importance for the conservation of biodiversity in England
- trees, woodlands, including aged and veteran trees and hedgerows and stone walls; and
- features of the landscape that function or are of importance for

5.100 Further Policies are provided in the Draft Plan that will protect the biodiversity and geodiversity of the islands. This includes Policy SS1 and SS2 which promote sustainable development and design that will mitigate against potential negative effects on biodiversity, and ensure development is sustainable with regards to climate change, with indirect positive effects on biodiversity. Policy SS8 will also benefit biodiversity through moving towards carbon neutral islands and promoting renewable energy, with criteria that renewable energy development does not have an effect on wildlife populations.

5.101 Policies OE5 and OE6 will protect the natural environment and biodiversity through the management and prevention of waste and pollution, including water pollution, noise pollution and air pollution, providing strong mitigation measures and with neutral effects.

Recommendation: Although the draft Policy OE2 has strong wording regarding the protection and enhancement of biodiversity or geodiversity, the SA recommends that the wording is strengthened to include explicit requirement for a 'net gain' for biodiversity, in line with the wording of the NPPF (paragraph 109).

5.102 **Appraisal of Site Allocations:** The sustainability assessment of the site allocations in the Draft Local Plan found that none of the sites would have significant negative effects on biodiversity. Although all the sites are close to European and nationally designated biodiversity sites, the small level of proposed development to be provided for local needs, with no resulting growth, will minimise likely negative effects. The strong mitigation provided through Local Plan Policies is considered sufficient to protect biodiversity and geodiversity from the effects of new development to likely overall neutral effects and the possibilities for some enhancement.

5.103 **Synergistic and Cumulative Effects:** The Isles of Scilly Draft Local Plan will protect the existing biodiversity and geodiversity in the archipelago. Where possible, the Plan will also seek to enhance existing biodiversity, with the potential for positive effects that could be cumulative in the longer-term. The management of waste and pollution, and the mitigation and adaptation to climate change as detailed in the Plan Policies, will have long-term synergistic positive effects on biodiversity and geodiversity.

- 5.104 **Interrelationships with other Topics:** The natural environment is influenced by and affects a number of the topics considered through the SA. Potential negative effects on biodiversity can also have indirect negative effects on communities, health, climate change, air quality, water quality and flooding. Similarly, improvements to biodiversity can also have benefits for these topics.

Waste & Minerals; Energy; Soil & Agriculture

SEA Directive Topics: Soil
NPPF paragraphs 109-125, 142-149

Relevant SA Objectives:

- SA Objective 10: Support a more sustainable means of production and use of resources. 10A- Waste & Minerals, 10B- Energy, 10C- Soil and Agriculture

- 5.105 **Appraisal of Draft Isles of Scilly Local Plan Policies:** Current waste management and recycling facilities are on St Mary's; however, the Isles of Scilly have one of the lowest household waste recycling rate in England. Development proposed in the Draft Plan has the potential to increase waste, both through construction, and as a result of occupation of new housing and employment development.
- 5.106 Policy OE6 in the Draft Plan seeks to manage waste within the Plan Area. This includes ensuring new development has waste management solutions. The Policy has a strong focus on waste created through construction, promoting the reuse of demolition waste on the islands. Any construction schemes will need to be consistent with sustainable waste management, and the Policy will allow waste facility development that improves sustainable waste management on the islands, with the potential for minor positive effects. Policy SS2 will also have positive effects on waste management through ensuring new development provides appropriate areas for waste and recycling, including kerbside collection sites. This will help promote waste recycling.
- 5.107 There are currently no active mineral operations on the islands, with the last operation ceasing in 1980s. The vernacular style of the islands' buildings means there may always a demand for local stone. Policy OE7 will support the use of recycled and secondary materials to meet local needs, with long-term positive effects on minerals through minimising the need for extraction of new materials.
- 5.108 Energy on the island is almost entirely imported from the mainland, meaning the islands are susceptible to supply vulnerability. The replacement of the sub-sea cable from St Mary's to the mainland has been identified as key to sustaining the current electricity supply. The Smart Islands Programme will promote renewable energy usage and reduce energy use, which will reduce the supply vulnerability for the islands. Development proposed within the Draft Plan will increase energy consumption, with potential negative effects. Furthermore, the promotion of electric vehicles in Policy SS9 will result in

increased electricity consumption. Policy SS8 seeks to promote renewable energy development to increase the self-sufficiency of the islands with regards to energy supply, and move towards a carbon neutral environment, with potential long-term positive effects on energy.

- 5.109 Agriculture is a large part of the islands' economy. There is no information recorded on the grading (1-5) of agricultural land and therefore, no known best and most versatile agricultural land on the islands. Soil resources are key for the agriculture industry, and the prevention of soil loss and soil erosion is vital. Development could result in the loss of soil resources through the loss of greenfield land. Policy SS2 promotes sustainable development which includes the protection of natural capital, which includes soil resources with a residual neutral effect.
- 5.110 **Appraisal of Site Allocations:** None of the site allocations were considered to have significant effects on waste or minerals. None of the allocations will hinder the future extraction of mineral resources, and although development will create waste the mitigation provided through Draft Plan Policies will prevent negative effects. The site options were considered to have positive effects on energy through the promotion of high energy efficiency standards which can reduce energy use. Site allocations at Old Town will result in the loss of greenfield land and therefore associated soil resources, with potential minor negative effects.
- 5.111 **Synergistic and Cumulative Effects:** The management of waste, minerals and energy for the islands will have long-term cumulative positive effects. The proposed development within the Draft Plan could have minor negative effects on waste, however with available Plan Policy mitigation, residual neutral effects were identified. Development also has the potential for the loss of greenfield land in places, with long-term minor negative effects for loss of soil resources.
- 5.112 **Interrelationships with other Topics:** Waste management is closely linked with communities, health and biodiversity, with the potential for both negative and positive indirect effects. Energy is linked with climate change, health, communities, biodiversity and landscape, with the potential for positive and negative effects. Potential effects on soil resources can also have indirect effects on communities and health, climate change, water resources, water quality, economy and flooding.

Equality Impacts Assessment (EqIA)

- 5.113 The Equality Act 2010 applies to the provision of services and public functions and includes the development of the Council's policies and plans. The Act prevents discrimination on the basis of nine protected characteristics: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation. The findings of this EqIA have been integrated into the SA of the Local Plan and are provided separately as Appendix VII to the Draft SA Report.

- 5.114 The equalities screening assessment found that the Draft Isles of Scilly Local Plan will not have negative effects on protected characteristics or persons identified under the Equality Act 2010 and therefore a full EqIA will not be required. Overall, effects were compatible and positive, or not applicable, with regard to protected persons; no negative effects were identified.

Habitats Regulations Assessment (HRA)

- 5.115 The Conservation of Habitats and Species Regulations 2010 (as amended) [the Habitats Regulations] require that Habitats Regulations Assessment (HRA) is applied to all statutory land use plans in England and Wales. The aim of the HRA process is to assess the potential effects arising from a plan against the nature conservation objectives of European sites.
- 5.116 An initial screening assessment of the Isles of Scilly Local Plan was carried out to determine if the emerging policies and allocation sites have the potential for likely significant effects on any European sites. The screening found that the development proposed in the Plan is considered unlikely to have significant effects on any European sites alone, or in-combination with other plans and projects, and therefore an Appropriate Assessment is not required.

6.0 PROPOSED MONITORING

- 6.1 The SEA Directive and Regulations require that the significant effects (positive and negative) of implementing the plan should be monitored in order to identify at an early stage any unforeseen effects and to be able to take appropriate remedial action. Government guidance²⁶ on SA/SEA advises that existing monitoring arrangements should be used where possible in order to avoid duplication.
- 6.2 Government requires local planning authorities to produce Monitoring Reports (MRs), and the Isles of Scilly Council Monitoring Report²⁷ (produced annually) is considered sufficient to ensure appropriate monitoring takes place.

²⁶ http://planningguidance.planningportal.gov.uk/?post_type=&s=sustainability+appraisal

²⁷ <http://www.scilly.gov.uk/planning-development/planning-policies-and-guidance>

7.0 CONSULTATION & NEXT STEPS

- 7.1 The Isles of Scilly Local Plan and its accompanying SA documents are provided for consultation through the Council's website. Comments made and responses prepared will be recorded and inform the next stages of plan-making and assessment. Thus, consultation is a vital ongoing and iterative element of the plan-making and the SA processes. The Isles of Scilly Local Plan reflect the findings of various technical studies and the responses received so far during consultation.
- 7.2 The Draft Plan will be available for Second Stage Regulation 18 consultation from 16 March to 11 May 2018 for seven weeks. The Plan will be available to the general public and the statutory consultees, including Historic England, Natural England, and the Environment Agency. Any comments on the SA should be made to the Isles of Scilly Council:

<http://www.scilly.gov.uk/planning-development/local-plan-review>
planning@scilly.gov.uk