

Sustainability Appraisal (SA) of the Croydon Local Plan Partial Review

SA Report

Non-technical
Summary

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Introduction

AECOM is commissioned to undertake Sustainability Appraisal (SA) in support of the emerging Croydon Local Plan Partial Review (“the Partial Review”).

Once in place, the Partial Review will serve to adjust the spatial strategy for growth and change set out within the adopted Croydon Local Plan (CLP; 2018), including by adjusting the package of sites allocated to deliver the strategy, and will also serve to adjust the suite of strategic and development management policies, i.e. policies against which planning applications are judged. The Partial Review will also extend the plan period to 2040 (from 2036 in the adopted Local Plan), such that the plan period is 2019 to 2040.

SA is a mechanism for considering and communicating the likely effects of an emerging plan, and alternatives, with a view to minimising adverse effects and maximising the positives.

Central to the SA process is publication of an SA Report for consultation alongside the draft plan that appraises “the plan and reasonable alternatives” in order to inform the consultation and subsequent plan finalisation.

At the current time, the SA Report is published for consultation alongside the ‘Proposed Submission’ version of the Partial Review under Regulation 19 of the Local Planning Regulations.¹ This is the non-technical summary (NTS).

The SA Report / this NTS

The SA Report is structured so as to answer three questions in turn:

1) What has plan-making / SA involved **up to this point**?

- Establishing and appraising reasonable alternatives

2) What are the SA findings **at this stage**?

- Appraising the draft plan

3) What happens **next**?

Each of these questions is answered in turn below.

Firstly, though there is a need to set the scene further by answering the question: *What’s the scope of the SA?*

What’s the scope of the SA?

The scope of the SA is reflected in a list of topics and objectives, as well as an underpinning understanding of key issues, as established through evidence-gathering including consultation on a Scoping Report in 2019.

Taken together, this understanding of key topics, objectives and issues provides a methodological ‘framework’ for appraisal. A list of the topics and underpinning objectives is presented in Table 3.1 of the main report.

In summary, the following topics form the core of the framework:

- Air quality
- Biodiversity
- Climate change adaptation
- Climate change mitigation
- Communities
- Economy and employment
- Health
- Heritage
- Housing
- Land and soils
- Landscape
- Transport
- Water

¹ This is the second time that the Partial Review has been published under Regulation 19, with a previous version published in early 2022. The current version supersedes the 2022 version and, accordingly, the 2022 SA Report is superseded.

Plan-making / SA up to this point

Introduction

Central to the required SA process is exploring ‘reasonable alternatives’ to inform plan-preparation. As such, Part 1 of the SA Report explains a process of defining and appraising reasonable alternative ‘growth scenarios’, i.e. alternative approaches to providing for development needs and wider plan objectives, including by allocating sites for development in accordance with NPPF paragraph 69. See further discussion in **Section 4** of the main report.

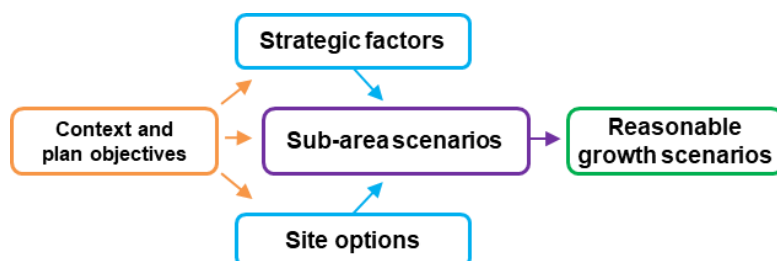
In short, the process involved:

- Defining growth scenarios;
- Appraising growth scenarios; and then
- Feeding-back to inform the Partial Review

Defining growth scenarios

A process leading to the definition of growth scenarios is set out in **Section 5** of the main report.

Figure A: Process overview



Context and plan objectives

Importantly, because the current plan is a ‘Partial Review’, the plan objectives remain those set out in CLP 2018. Also, more broadly, policies within CLP 2018 provide the starting point for the Partial Review, with the Council’s aim being to amend policies, and the package of site allocations, only where necessary, including in light of monitoring and understanding of the latest national, regional and local context, including the London Plan 2021.

A large amount of work has been completed by the Council since commencing the Partial Review process in 2018. Most notably, an Issues and Options consultation was held in 2019, with an Interim SA (ISA) Report published alongside, and then a Proposed Submission version of the Partial Review was published in early 2022 alongside an SA Report, which presented an appraisal of ‘the plan and reasonable alternatives’ as they stood at the time.

Subsequent to the 2022 publication stage a considerable amount of work has been undertaken by the Council, and there have been some notable changes to the strategic context. A key issue is the need to revisit the approach proposed in the 2022 version of the plan in respect of spatially targeting windfall development (i.e. small sites that come forward for development despite not having a local plan allocation because development is in accordance with policy; typically in suburban areas and hence associated with ‘suburban intensification’). Also, a key issue is revisiting the approach to the spatial targeting of tall buildings, informed by a new Tall Buildings Study (2024).

Strategic factors

Within Section 5.2 of the main report consideration is given to two distinct (but linked) factors in turn:

- **Quanta (how much?)** – the London Plan (Policy H1) sets a target for Croydon of 2,079 dwellings per annum (dpa) over a ten year period from 2019 to 2029. Within the overall target there is also a target to deliver 341 dpa from small sites. However, there is also a need to consider the final 11 years of the plan period to 2040.

In this respect, paragraph 4.1.11 of the London Plan explains: “*If a target is needed beyond the 10 year period... boroughs should draw on the 2017 SHLAA... and any local evidence of identified capacity...*” In other words, paragraph 4.1.11 suggests that when planning for the period from 2029 it is appropriate to simply take a ‘bottom up’ approach driven by available capacity, as opposed to seeking to provide for any particular ‘top down’ target.

Regardless, there is a clear need to ensure that capacity options are considered in the context of a ‘top down’ understanding of development needs and wider strategic arguments for growth. In this respect, it is important to note that it is fairly common for local plans in London simply apply the London Plan ten-year target for the entire plan period, or otherwise look to support a level of growth for the post-2029 period beyond that indicated by the identified capacity in the London SHLAA. See further discussion below.

Growth scenarios must also factor-in wider development needs, particularly in respect of employment land. This is a focus of discussion within Box 5.1 of the main report, which considers needs for office space, industrial land (including warehousing) and light industrial land in turn, informed by an Employment Land Review (ELR, 2020). One key point to note is that providing for needs in respect of industrial land is highly challenging.

- **Broad distribution** (*where?*) – the discussion within this section of the main report starts from an understanding that there is an emerging preferred approach to growth, and that the key task is to explore broad distribution options that might serve to ‘**boost supply**’ over-and-above the emerging preferred approach.

From this starting point, consideration is given to broad options under a series of headings:

- **Transformation Areas** – the plan identifies three Transformation Areas, two of which are within the Croydon Opportunity Area (which includes Croydon Metropolitan Centre), namely: Brighton Main Line and East Croydon; and North End Quarter. The third is then Purley Way, to the west of the Croydon OA.

However, there is only considered to be a strategic choice in respect of the proposed approach to growth for one of these three areas, namely the North End Quarter (see further discussion below). With regards to Purley Way, whilst in the past there has been close consideration of alternative approaches to growth that vary greatly in terms of the number of homes supported, the emerging proposed approach now involves maximising growth in the context of land availability and accessibility / connectivity constraints.

- **Green Belt** – release of Green Belt for new homes was considered to be a reasonable option to explore at the Issues and Options stage (2019), and the appraisal presented within the Interim SA Report did highlight this option as having merit in several respects. However, the London Plan was then adopted in 2021 with a housing target for the Borough significantly below that which informed preparation of the Issues and Options consultation document. In turn, the 2022 publication version of the Partial Review proposed nil homes via Green Belt release. However, a scenario involving 2,500 homes from Green Belt release was appraised within the SA Report (2022). At the current time, it does remain ‘reasonable’ to explore the possibility of Green Belt release. However, there is a high bar set nationally in order to justify Green Belt release (‘exceptional circumstances’), and the GLA tends to strongly oppose Green Belt release.
- **Windfall** – CLP 2018 provides for around 30% of supply from windfall, specifically 10,060 homes over 20 years and, in support of this approach, includes a degree of spatial targeting, including at four focussed areas of intensification. Subsequently, consideration was given to options involving further spatial targeting and also the possibility of boosting the total number of homes assumed from windfall sites. At the current time, the Suburban Design Guide SPD (2019) has been revoked and there is a political commitment to removing the previously identified areas of intensification. This reflects a view that the rates of small sites development / suburban intensification have been too high in some areas. The emerging preferred approach is to: project forward average rates since 2016 for years 3 and 4 of the plan period, namely 1,051 dwellings per annum (dpa); and then reflect the London Plan’s small sites target for the Borough, for the remaining years, which is 641 dpa. This leads to a total windfall assumption of 9,794 homes over 21 years. However, it is also reasonable to explore the option of a modest boost to windfall, via accommodating policy, likely to include an element of spatial targeting. See further discussion below.
- **Tall buildings** – Building heights are clearly a key consideration when exploring options for boosting housing in the Croydon and wider London context. However, it is inherently difficult to define realistic policy options for boosting housing supply. This is because there is no basis for questioning the findings of the Tall Buildings Study (2024), and because tall building proposals must be determined through the planning application process, i.e. when detailed consideration can be given to scheme proposals.
- **Offices** – since the time of the ELR (2020) there are early indicators that demand for office space in Croydon Metropolitan Centre has reduced, noting: low and declining rents; falling occupied office floorspace; weak leasing activity; and continued subdued demand across London and nationally. There is also a strong supply of existing available and consented office space. In particular, there is potentially an ongoing shift away from demand for large office stock towards smaller scale and potentially higher quality office space, including flexible workspaces. There is a particular focus on the Office Retention Area (ORA) associated with East Croydon Station and New Town within Croydon Metropolitan Centre, which is overwhelmingly the focus of office space within the Borough.

In this light, the possibility of a policy shift to support residential or mixed use redevelopment leading to a loss of office space might be considered. However, the ELR (2020) strongly supports the current position:

“The contribution that substantial numbers of office-based workers make to the strength of town centre retail, leisure and service provision is widely recognised. Trends in large scale office development and take-up over the last decade have seen preferences for rail linked locations in urban areas with good access to such facilities (as opposed to emphasis on out-of-town business park or campus models during the previous decade). In essence, accommodating new office employment in the CMC continues to have a rationale rooted in regeneration and sustainability.”

On balance, it is difficult to envisage a reasonable *broad* policy option for boosting housing supply via reduced support for offices, but there is a need to consider area and site-specific options (see below).

- **Other factors** – the main report considers feasible options for boosting housing supply via an adjusted approach within several other broad policy areas, including industrial land. However, there are no clear options that warrant being explored through appraisal and consultation on reasonable growth scenarios.

Site options

As part of a process aimed at identifying alternative growth scenarios (with a particular focus on scenarios involving ‘boosting supply’) there is a clear need to examine all of the emerging proposed allocations in turn.

This is the focus of Section 5.3 of the main report, which aims to flag sites where there could be potential to significantly boost site capacity or otherwise housing yield, e.g. via higher density development or an increased focus on homes over offices. A key consideration is where site yield has previously been assumed to be higher.

Another aim of Section 5.3 is to flag ‘omission sites’, i.e. sites that are available or potentially available for development, but which are not proposed for allocation. Clearly additional allocation of omission sites can be a means of boosting supply; however, there are very few such sites realistically in contention in the Croydon context.

Sub-area scenarios

The penultimate step in the process of defining reasonable growth scenarios involved considering discrete sub-areas in turn, seeking to identify options for boosting supply in light of the preceding work to explore strategic factors and site options. This is the focus of Section 5.4 within the main report, which explores 29 sub-areas.

Conclusions are as follows:

- **North End Quarter** – on balance a higher growth scenario is assumed to involve ~500 additional homes. However, there is little certainty at the current time, whilst land-owner-led masterplanning is ongoing.
- **Wider Croydon Opportunity Area** – attention focuses on areas well linked to North End Quarter, including the West Croydon Station Area, and also the western part of the Office Retention Area (ORA) given an aspiration to better link North End Quarter and East Croydon Station. However, on balance, it is not clear that there is a reasonable higher growth scenario. Within the ORA as a whole there is a need for ongoing consideration of long term spatial strategy, noting the number of new homes recently delivered, committed and proposed.
- **Purley Way** – there is little or no question of a higher growth scenario at the current time, although there is a need to maintain a watching brief, particularly in light of ongoing work to explore transport issues and options.
- **The wider urban area** – attention focuses on a number of sites and clusters, but there is no clear scenario involving significantly boosting supply. Purley and Coulsdon are associated with a strategic case for higher growth in order to realise strategic transport objectives (rail metroisation, tram extension, bus services), but there are constraints to growth. At Thornton Heath District Centre there is a need for ongoing consideration of regeneration and intensification, given good transport connectivity and limited constraint, but no developable scheme currently exists. Similarly, but on a smaller scale, ongoing consideration should be given to the possibility of regeneration of Selsdon Neighbourhood Centre (Forest Gate). There is also clearly a need for ongoing scrutiny of non-allocated land within identified Tall Building Zones, e.g. south of Norbury District Centre. Related to this, there is a need for ongoing consideration of coordinated growth along London Road, between North End Quarter and Norbury, via West Croydon Station, three local centres and West Croydon Hospital.
- **Green Belt** – whilst the emerging proposed approach is to not support any Green Belt release (unchanged from 2022), it is appropriate to explore the possibility of Green Belt release as a reasonable alternative (as per the conclusion reached in 2022). This is because it could feasibly be an effective means of boosting housing supply, particularly with a focus on family and affordable housing.

The previous SA Report (2022) presented a stand-alone section on shortlisting Green Belt site options, and the conclusion of that work is unchanged at the current time. Specifically, it is reasonable to appraise and consult upon a scenario involving ~2,500 homes from two better performing sites at Selsdon and New Addington.

- **Windfall** – as discussed above, the emerging preferred approach is to assume 9,794 homes over the plan period. Whilst setting policy so as to enable continuation of recent rates of windfall (~1,050 per annum) is ‘unreasonable’, it is fair to consider setting policy so as to enable windfall at a rate of perhaps 750 dpa, which would boost housing supply by in the region of 1,500 homes over the plan period.

With regards to the nature of the policy support that would be set out in the Partial Review, it is beyond the scope of this report to define this with any precision, but it is fair to assume a degree of spatial targeting. The approach to spatial targeting (‘intensification areas’) at the Issues and Options stage (2019) and at the previous Publication stage (2022) was somewhat complicated; however, the underpinning principal was not namely support for intensification where A) the character is one of houses in large plots (see the Borough Character Appraisal, 2015); B) there is good accessibility and public transport connectivity, taking account of proximity to a centre, proximity to a secondary school and PTAL; and C) there are no clear constraints to growth, particularly heritage designations. It is fair to assume that a similar approach would be applied.

The reasonable growth scenarios

The sub-area / supply component scenario introduced above were combined to form five reasonable growth scenarios, where Scenario 1 is the emerging proposed approach and Scenarios 4 to 5 would see a boost to supply.

Under Scenario 1 supply totals 39,786 homes over the plan period, which is a figure about 17% above the Council’s proposed housing requirement, which is 34,145 homes. 17% is a reasonable ‘supply buffer’ in the context numerous supply components that are uncertain (‘delivery risk’; see discussion in Section 5.3 of the main report).

The 34,145 home requirement is calculated on the basis of the London Plan target to 2029, which is 2,079 dpa, and then the identified capacity figure from the London SHLAA (2017) for the subsequent eleven years of the plan period, which involves considerable ‘step down’ to 1,214 dpa. This is in the context of average delivery of 2,126 dpa over the past four monitoring years, although the current monitoring year is expected to see 1,608 homes.

This approach aligns with paragraph 4.1.11 of the London Plan (see discussion above). However, there is also a need to explore scenarios involving setting the housing requirement above 34,145, in light of housing and wider development needs and potential capacity options. Another factor is unmet housing need from Tandridge District.

With regards to higher growth Scenarios 4 to 5, these would involve boosting supply by between 1,500 and 3,000 homes. Boosting supply by 3,000 homes would certainly allow for a housing requirement modestly above 34,145, and there could also be potential for this under one or more of the other scenarios. However, it is beyond the scope of this current work to state exactly what the housing requirement would be set at, under each scenario.²

In summary the reasonable alternative growth scenarios are as follows:³

- Scenario 1 – the emerging proposed approach (housing requirement = 34,145)
- Scenario 2 – boost windfall (housing requirement *potentially* > 34,145)
- Scenario 3 – boost windfall and NEQ (housing requirement *potentially* > 34,145)
- Scenario 4 – Green Belt release (housing requirement *potentially* > 34,145)
- Scenario 5 – Green Belt release and boost NEQ (housing requirement > 34,145)

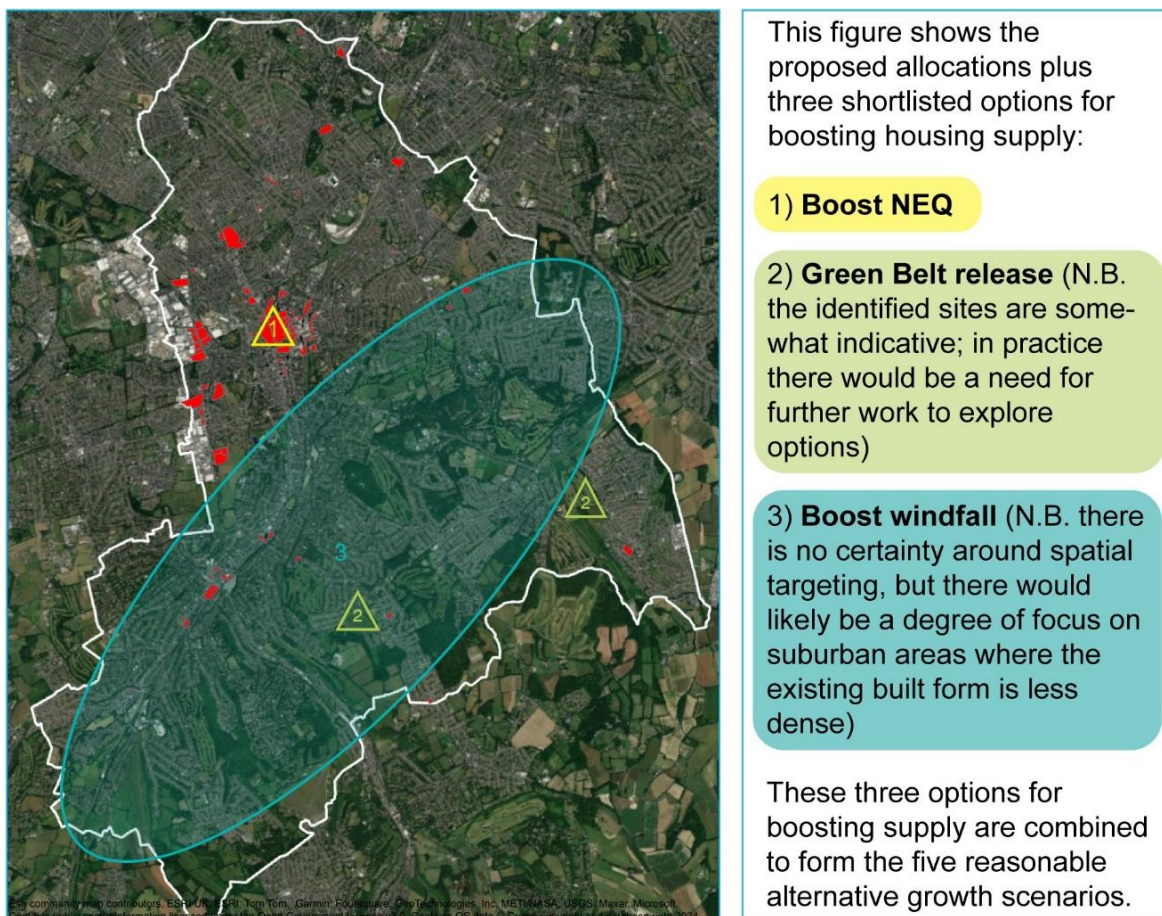
² This is because a decision would need to be made accounting for the importance of a robust supply buffer, also being mindful of the Government’s proposal that across London the ‘presumption in favour of sustainable development’ will apply (for applications on previously developed land) where the local authority scores below 95% on the Housing Delivery Test (HDT).

³ To be clear, these are the ‘reasonable alternatives’ at the current time and are defined for appraisal in order to reflect a central requirement of the SA process, which is for the SA Report to present an appraisal of “the plan and reasonable alternatives”. The reasonable alternatives (growth scenarios) reflect the latest evidence and so are tailored to informing the current consultation. They supersede the reasonable alternatives defined, appraised and subjected to consultation in 2021/22.

Table A: The reasonable growth scenarios (N.B. constant supply components greyed-out)

Supply component		Scenario 1 The preferred scenario	Scenario 2 Windfall	Scenario 3 Windfall NEQ	Scenario 4 GB release	Scenario 5 GB release NEQ
Completions		8,505	8,505	8,505	8,505	8,505
Permissions (not allocated)		2,532	2,532	2,532	2,532	2,532
Allocations	North End Quarter	1,594	1,594	2,100	1,594	2,100
	Elsewhere in the COA	8,550	8,550	8,550	8,550	8,550
	Purley Way	5,579	5,579	5,579	5,579	5,579
	Urban elsewhere	3,232	3,232	3,232	3,232	3,232
	Green Belt sites (x2)	-	-	-	2,500	2,500
Windfall		9,794	11,300	11,300	9,794	9,794
Total supply		39,786	41,292	41,798	42,286	42,792
% above 34,145		17%	21%	23%	24%	25%

Figure B: The proposed allocations plus shortlisted options for boosting housing supply



Growth scenarios appraisal

Section 6 of the SA Report presents an appraisal of the five reasonable growth scenarios. Summary appraisal findings are presented in Table B. Within each row of the table, the performance of each of the growth scenarios is categorised in terms of significant effects (using red / amber / light green / green)⁴ and the scenarios are also ranked in order of preference (where 1 is judged best and highlighted with a gold star).

Table B: Summary appraisal of the reasonable alternative growth scenarios

Topic	Rank of preference (number) and significant effects (colour)				
	Scenario 1 The preferred scenario	Scenario 2 Windfall	Scenario 3 Windfall NEQ	Scenario 4 GB release	Scenario 5 GB release NEQ
Air quality	★1	5	4	3	2
Biodiversity	★1	2	2	2	2
Climate change adaptation	★1	2	2	2	2
Climate change mitigation	2	2	★1	2	★1
Communities	★1	2	2	★1	★1
Economy and employment	2	★1	★1	★1	★1
Health	=	=	=	=	=
Historic environment	★1	3	5	2	4
Housing	5	4	3	2	★1
Land and soils	★1	3	2	5	4
Landscape	★1	2	3	4	5
Transport	★1	5	4	3	2
Water	=	=	=	=	=

⁴ Red indicates a significant negative effect; amber a negative effect of limited or uncertain significance; light green a positive effect of limited or uncertain significance; and green a significant positive effect. No colour indicates a neutral effect.

The summary table shows Scenario 1 (the emerging preferred scenario) to perform best in terms of the greatest number of objectives, and it is also predicted fewest negative effects. However, it does not necessarily follow that Scenario 1 is best performing or ‘most sustainable’ overall, recognising that no assumptions are made regarding the degree of importance (or ‘weight’) that should be assigned to each of the sustainability topics. For example, if particular weight were to be attributed to housing objectives, then there could potentially be overall support for one of the alternative scenarios. It is for the plan-maker (LB Croydon) to assign weight and trade-off between the competing objectives in order to reach an overall conclusion on a preferred scenario.

The following bullet points provide further summary conclusions:

- Air quality and transport – there is a clear concern with additional support for windfall development, particularly if not spatially targeted, albeit the assumption is a modest boost relative to the equivalent assumption in 2022. There is support for maximising growth at North End Quarter (NEQ) as a highly accessible area relative to alternative potential locations for growth in the Borough and more widely, plus there are opportunities to improve connectivity across the Croydon OA and reduce car dominance.
- Biodiversity – whilst it is not always appropriate to simply conclude that higher growth options give rise to greater concern from a biodiversity perspective, in the Croydon context it is fair to flag concerns with higher growth achieved via either increased suburban intensification or Green Belt release.
- Climate change adaptation – there is a degree of added concern regarding flood risk under the higher growth scenarios, noting the topography in the southern part of the Borough, but concerns are limited.
- Climate change mitigation – higher growth at NEQ might help to secure a heat network for the area. The ‘amber’ score for all scenarios reflects the ambition needed to achieve the local 2030 net zero target.
- Communities – high rates of windfall development can put a strain on infrastructure and also give rise to wider community concerns. Another factor is greenspace constraining the New Addington GB site.
- Economy and employment – there is support for higher growth, but this is fairly marginal. A successful NEQ scheme is of larger-than-local significance, and windfall development is important for SME builders.
- Health – it is not possible to meaningfully differentiate between the scenarios. There is support for the package of allocations that are a constant across the scenarios (appraised in Part 2 of this report).
- Historic environment – increased density to include taller buildings in NEQ gives rise to a potentially significant concern from this perspective. Suburban historic character is another consideration.
- Housing – there is a case for boosting housing supply over-and-above the emerging proposed approach if there is capacity to do so. Matters are discussed in detail in Section 5 of this report.
- Land and soils – there is support for maximising housing supply from NEQ, whilst there is a need to avoid Green Belt release, which could well result in the loss of best and most versatile agricultural land.
- Landscape – there are clear concerns with Green Belt release, given the two shortlisted sites in question, and more generally the context of the southern part of the Borough (a series of valleys).
- Water – wastewater treatment is typically a key matter for consideration, but there are no clear concerns. There will be a need for ongoing liaison with the Environment Agency and Thames Water.

The preferred growth scenario

Section 7 of the SA Report explains officers’ reasons for supporting **Growth Scenario 1**, in-light of the appraisal:

“The appraisal shows Scenario 1 to perform well in a number of respects. Indeed, it performs best in terms of more sustainability objectives than any of the other scenarios and is predicted fewest negative effects.

It is recognised that higher growth scenarios would help to meet housing needs more fully, including need for affordable and family housing. This is an important consideration. However, a higher growth strategy would risk departing from the London Plan, which balances housing needs and capacity across London. In particular, given the forthcoming London Plan Review there are no exceptional circumstances to justify the release of Green Belt for housing. With regards to windfall development, the Borough will continue to deliver windfall in line with the London Plan target, but there are concerns with higher windfall given implications for the Borough’s suburban areas, particularly in terms of character, traffic and infrastructure capacity. With regards to boosting supply from the North End Quarter, this is a detailed matter that will need to be revisited in light of masterplanning, including with a focus on heritage issues and impacts.”

SA findings at this stage

Part 2 of the SA Report presents an appraisal of the Partial Review as a whole. The following is a summary.

Air quality

The plan performs well in numerous respects but there are also a range of tensions with air quality objectives and the potential for adjustments to the plan to improve its 'air quality' performance can be envisaged (albeit not without knock-on implications for other objectives). The 2022 SA Report recommended further consideration of air quality issues along the Purley Way, but it has transpired that there is very limited room for manoeuvre. On balance, an overall **neutral effect** is predicted (as per 2022).

Biodiversity

Relative to CLP 2018 there is a considerable new focus on matters relating to biodiversity, green infrastructure and urban greening through revised borough-wide thematic and site specific development management policies. Also, relative to the 2022 publication stage, a total of five of the sites previously flagged as sensitive (due to an adjacent designated SINC) have been removed from the plan. However, there is a need to carefully consider the potential for a high growth strategy for the Purley Way to achieve a biodiversity net gain, given the river valley sensitives. On balance, a **neutral effect** is predicted, noting that Natural England had no comments on the plan in 2022.

Climate change adaptation

A number of proposed allocations intersect the flood risk zone. However, in each case development will deliver benefits, which could serve to justify development in a flood risk zone, whether that be: A) the potential to realise a particular site specific opportunity; B) the potential to contribute to achievement of strategic objectives for a centre, neighbourhood or sub-area (e.g. Purley Way and Purley); and/or C) the potential to contribute to strategic objectives for the Borough, including in respect of meeting housing needs in the context of limited supply options. Furthermore, there are a range of site specific and scheme masterplanning and design factors affecting flood risk, as explored through the Level 2 SFRA (2021 and 2024) and which can be further explored through a Flood Risk Assessment (FRA) at the planning application stage. Also, it is noted that a number of important changes have been made since the 2022 publication stage that potentially serve to reduce concerns regarding development in the flood risk zone. It will be for the Environment Agency to comment in detail through the current consultation; however, at this stage, it is appropriate to flag a **negative effect** of limited or uncertain significance.

Climate change mitigation

Whilst the 2022 SA Report concluded 'neutral effects' it is now considered appropriate to flag a **negative effect** of 'limited or uncertain' significance, essentially to reflect: the increasingly stretching nature of the Borough's 2030 net zero target; uncertainty around the potential to realise heat network opportunities in practice; and the extent of work that has been undertaken nationally, and within London in particular, around policy (and strategy) approaches to minimising built environment greenhouse gas emissions (both operational and embedded). Also, whilst the focus of this section has been on built environment decarbonisation, there is also a need to note the decision to remove the previously proposed intensification areas that sought to direct windfall development to areas with higher PTAL. The 2022 SA Report recommended that consideration be given to undertaking further proportionate work, ahead of plan finalisation, to ensure that built environment decarbonisation opportunities will be fully realised (as opposed to leaving key decisions to later stages of the planning process, when options can be constrained or foreclosed) and this recommendation also holds true at the current time.

Communities

Having taken careful account of both the proposed spatial strategy and thematic policies (borough-wide, area-specific and site specific, also mindful of existing CLP 2018 policies that are not proposed for change) it is fair to predict **positive effects**, albeit with a degree of uncertainty given a number of proposed allocations associated with existing community uses that will need careful consideration through the development management process. Perhaps the key point to note is that the three new Transformation Areas are all strongly supported from a communities perspective (which is not to say that the policy approach at each should not be the subject of further scrutiny with a view to making adjustments aimed at maximising community benefits ahead of plan finalisation, most notably with respect to the Purley Way).

Economy and employment

The broad aim of ‘retaining and intensifying employment land’ is supported, and all three of the Transformation Areas reflect a strong degree of ambition, from an ‘economy and employment’ perspective. However, there would be merit to further exploring precise implications of the Partial Review for the nature of office space available in the Borough (in terms of total quantum, distribution and type/grade) and the nature of the Borough’s industrial land resource, given stretching need figures / targets. For example, and in particular, along the Purley Way there is a need to carefully consider the implications of intensifying SIL alongside major housing growth, with a view to ensuring that existing industrial uses are not unduly ‘pushed out’. Another matter for ongoing consideration relates to policy on affordable workspace. Overall a **positive effect** is predicted, but with a degree of uncertainty, not least due to the changing national and regional context around the need for office-type workspaces and nature of demand for industrial-type land uses. It will be important to maintain a watching brief ahead of plan finalisation.

Health

One important consideration is ensuring access to health facilities, with site specific policy set to include a considerable focus on identifying sites with the potential to deliver new facilities (subject to further discussions with providers), although there are also certain issues and potential tensions, e.g. proposed redevelopment at Croydon University Hospital. Aside from access to health facilities, another important consideration is design quality and space standards, with the proposal being to supplement Policy S2 (Housing) to include new policy criteria on: shared spaced; internal and external spaces; design and layout that supports independent living; wider design considerations; and accessible/adaptable housing. Overall a **positive effect** is predicted, but with a degree of uncertainty, recognising that determinants of good health are wide-ranging and ahead of receiving consultation responses from partner organisations including those that operate under the SW London [Integrated Care System](#).

Historic environment

The historic environment is a key consideration for one of the proposed Transformation Areas, namely the North End Quarter, and also an important consideration for the Purley Way. The historic environment is also a key consideration for several of the district and local centres that are a focus of growth, plus numerous of the proposed allocations elsewhere (including within the Croydon OA) have a degree of historic environment constraint. However, there will typically be the potential to avoid or sufficiently mitigate impacts through careful design (in line with the design-led, character-based approach as set out in Chapter 3 of the London Plan). Many site allocations reference the need to account for historic environment constraints, including with a good degree of specificity that leads to confidence. Overall, it is fair to predict a **positive effect**, albeit with a degree of uncertainty ahead of receiving the views of Historic England through the current consultation.

Housing

The appraisal in Section 6 concludes a positive effect of ‘limited or uncertain significance’. However, after having accounted for proposed development management policies, particularly in respect of affordable housing and family housing, it is possible to predict a **significant positive effect** (as per 2022). Nonetheless, there is a clear need for ongoing scrutiny of the housing requirement for the period beyond 2029, which is currently proposed to be 1,214 dwellings per annum (dpa). This is significantly below recent rates of delivery (above 2,000 dpa) and housing need is likely to be significantly higher. There is also a need to consider the national context in terms of the NPPF’s focus on “significantly boosting the supply of homes” and the Government’s current consultation (March 2023) on “Strengthening planning policy for brownfield development”, which proposes “*a change to national planning policy that would expect local planning authorities to give significant weight to the benefits of delivering as many homes as possible, and to be flexible in applying policies or guidance on the internal layout of developments especially for proposals on brownfield land.*” There is also a current focus nationally on boosting rates of housing in London (see the London Plan Review Report of Expert Advisers, 2024) and there is significant unmet housing need arising from neighbouring districts in Surrey, most notably Tandridge District.

Land and soils

This is a relatively minor issue for the Croydon Local Plan Partial Review, with a **neutral effect** predicted.

Landscape

A key consideration is policy support for, and spatial targeting of, small sites windfall in the Borough's suburban areas. There is a notable adjustment to the proposed approach relative to 2022, with the removal of the previously proposed intensification areas, but it is difficult to conclude what the effect of this will be for townscape and landscape character. Another key change since 2022 is the definition of Tall Building Zones, in line with the London Plan requirement, and informed by the Tall Buildings Study (2024). Definition of these zones has only had a modest impact on proposed allocations; however, other sites may become available within the defined zones and be proposed for taller buildings in the future. Finally, there is strong support – from a townscape / landscape perspective – for the detailed work on design-led site capacities that has been undertaken since 2022, including applying a 'cookie-cutter' methodology, whereby exemplar schemes are overlaid on site boundaries. However, this has led to an overall reduction in supply across the site allocations that must be scrutinised in light of wider objectives, including making the best use of land in the best connected / most accessible locations. Overall a **positive effect** of limited or uncertain significance is predicted (in contrast to a predicted neutral effect in 2022).

Transport

The proposed spatial strategy is 'sustainable transport-led' to a large extent, and certain of the interventions supported by the Local plan are of larger-than-local significance, most notably Brighton Mainline (although delivery certainty here has reduced since 2022). However, there remain a wide range of challenges and uncertainties, notably in respect of the Purley Way Transformation Area and at Purley. Also, there is a need for ongoing scrutiny of the potential for windfall development to come forward in line with transport objectives, including recalling the Borough's 2030 net zero commitment. The conclusion is a **positive effect** of limited or uncertain significance.

Water

Wastewater treatment work capacity is high on the agenda nationally at the current time, hence there is a need to avoid risks of capacity breaches as far as possible. This can mean directing growth to locations with existing capacity, as opposed to relying on capacity upgrades. However, no concerns have been raised regarding capacity being a significant constraint to growth with a bearing on the quantum of new homes supported through the Partial Review, or the spatial strategy. As such, a **neutral effect** is predicted.

Overall conclusions

The appraisal predicts a **significant positive effect** in respect of housing objectives (although there is a need to give ongoing consideration to options that would involve boosting supply). A **limited or uncertain positive effect** is then predicted under the communities, economy, health, historic environment, landscape and transport headings (recalling that the baseline situation is one whereby development continues but in a less plan-led fashion). A **neutral effect** is then predicted under the air quality, biodiversity, land/soils and water headings. Finally, a **limited or uncertain negative effect** is predicted under two headings, namely: climate change adaptation (ahead of the EA further reviewing several development sites that intersect a flood risk zone); and climate change mitigation (given the highly stretching target of achieving net zero greenhouse gas emissions borough-wide by 2030).

There will be the potential to make improvements to the plan through the forthcoming examination in public. Improvements to the plan might seek to further bolster positive effects identified through this appraisal, and there will certainly be the potential to further explore tensions with sustainability objectives.

A small number of specific recommendations are discussed in the main report, namely either: ones made earlier in the SA process; and/or ones that remain outstanding at the current time. However, it is inherently difficult to make specific recommendations because actioning them will inevitably have implications that are difficult to foresee and account for as part of this SA process. For example, it would be very easy to recommend further detailed policy in respect of net zero development, following the best practice examples that are emerging nationally and across London in particular, but this would have cost/viability implications such that there could be a need to accept trade-offs - i.e. less stringent policy in respect of one or more wider objectives (e.g. affordable housing) - and/or there would be a need to undertake detailed work, leading to requirements in terms of time and resources.

Cumulative effects

The SEA Regulations, which underpin the SA process, indicate that stand-alone consideration should be given to 'cumulative effects', i.e. effects of the Local Plan in combination with other plans, programmes and projects that can be reasonably foreseen. In practice, this is an opportunity to discuss potential 'larger than local' effects.

The following bullet points cover some key considerations:

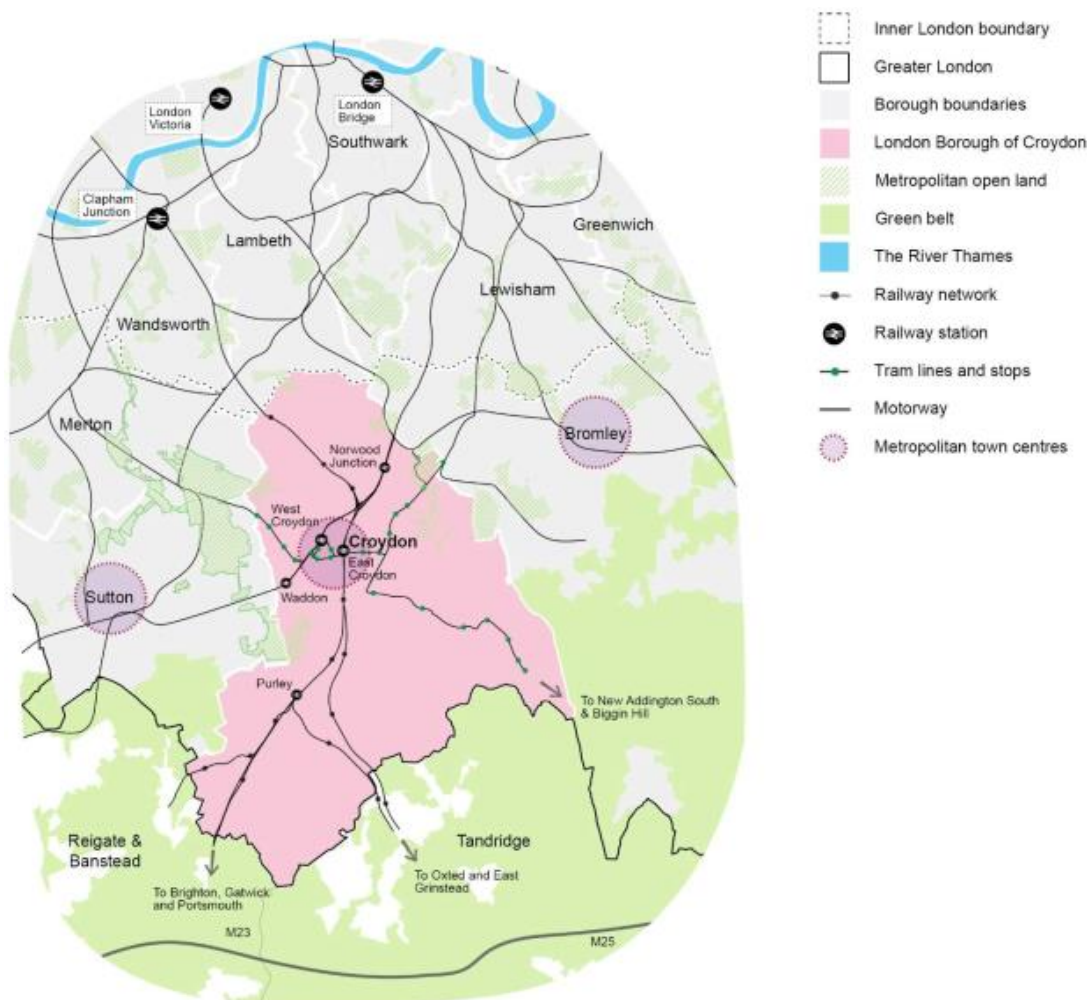
- **Adopted CLP 2018** – an immediate consideration is the effect of the Partial Review in combination with those aspects of CLP 2018 that are not a focus of the Partial Review. However, such considerations are limited, because the spatial strategy is entirely revisited, albeit there are certain aspects of the spatial strategy proposals through the Partial Review that are only a modest adjustment on the strategy set out in CLP 2018.
- **Housing** – as well as contributing to London’s housing needs, there is a need to recognise that the Croydon housing market area has historically been seen as closely linked to that of Tandridge District. The Tandridge Local Plan was recently found to be unsound, hence there is unmet housing need.
- **Transport infrastructure** – aside from the headline matter of the Brighton Mainline, the Borough also shares other strategic transport corridors with neighbouring areas. In respect of the tram network, the focus on the Croydon OA, the Purley Way and district/local centres on the network amounts to a proactive approach to supporting patronage and, in turn, investment in network improvements.

There is also a need for an ongoing focus on road corridors associated with district/local centres and other growth locations, perhaps most notably the London Road linking to LB Lambeth to the north.

- **Employment** – Croydon is a regionally important centre of employment, particularly in terms of office space within the Croydon OA and SIL along Purley Way. Both matters require ongoing scrutiny, and there is also a need to consider key employment areas close to the Borough boundary, notably Beddington to the west and Biggin Hill to the south east.
- **Landscape scale net gain** – there is a need to focus efforts on achieving conservation and ‘net gain’ objectives, in respect of biodiversity and wider ecosystem services, at functional landscape scales, perhaps most notably the River Wandle corridor, which extends northwest from Croydon into LB Sutton.

The figures below serve to highlight a selection of sub-regional geographies.

Figure C: Croydon in the South East London and East Surrey context



Next Steps

Plan finalisation

Once the period for representations on the Partial Review / SA Report has finished the intention is to submit the plan for examination in public (see decision [here](#)) alongside a summary of the main issues raised through the Regulation 19 publication period. The Council will also submit the SA Report.

At Examination the Inspector(s) will consider representations on the Partial Review (alongside the SA Report) before identifying modifications necessary for soundness. 'Mods' will then be prepared (alongside SA if necessary) and subjected to consultation (alongside an SA Report Addendum if necessary).

Once found to be 'sound' the Partial Review will be adopted. At the time of adoption a 'Statement' must be published that sets out (amongst other things) 'the measures decided concerning monitoring'.

Monitoring

The SA Report must present 'measures envisaged concerning monitoring'. At the current time, in-light of the appraisal findings presented above, it is suggested that monitoring efforts might focus on:

- Air quality – it will be important to consider adjustments to the air quality monitoring regime in response to the growth strategy, e.g. accounting for growth in the suburbs alongside support for car parking.
- Biodiversity – there will be a need to establish a regime for ensuring that decision making in respect of biodiversity net gain as part of planning applications is undertaken under a strategic spatial framework – informed by the forthcoming Local Nature Recovery Strategy – and then monitor effectiveness. Within the Purley Way TA specifically, project-specific green and blue infrastructure measures could be monitored to ensure that the 'sum of parts' aligns with the vision for a River Wandle Regional Park.
- Climate change adaptation – it would be useful to monitor not only the number of homes that come forward in a flood risk zone, but also the nature of the schemes / mitigation measures implemented.
- Climate change mitigation – built environment decarbonisation is a rapidly evolving policy area, and so it will be important to monitor the sufficiency of policy, potentially with a view to preparing supplementary planning guidance, in order to ensure that opportunities are fully realised, including in respect of heat networks. With regards to transport emissions: car parking at windfall sites could be a focus.
- Communities and health – it would be useful to monitor how existing community uses on sites proposed for allocation are re-provided, for example onsite, versus in the local area, versus further afield. It could also be useful to monitor the process of identifying sites suited to delivering new health infrastructure.
- Within the North End Quarter there will be a need to be mindful of ongoing changes to retail trends and understanding of best practice in respect of reimagining town centres and high streets.
- Economy and employment – the evolution of the Office Retention Area certainly warrants monitoring, reporting and evaluation. Within the Purley Way TA there is a case for monitoring of business satisfaction within SILs, plus there is a need to consider potential business / community conflicts, e.g. traffic.
- Historic environment – Historic England are well-placed to recommend monitoring measures that may be proportionate and achievable. Clearly the North End Quarter could be a focus of efforts.
- Housing – in addition to close monitoring of affordable housing 'products', there is also a clear case for monitoring family housing, both losses and new delivery. A simple metric that could helpfully inform ongoing evaluation of 'suburban intensification' is the proportion of homes on small sites with gardens.
- Landscape – there could be merit to monitoring shifting character in suburban areas over time, with a view to avoiding cumulative impacts to townscape, landscape and the setting of heritage assets.
- Transport – understanding of strategic transport infrastructure issues and opportunities changes significantly over time (including on account of changes to available funding), and this understanding can have very significant implications for spatial strategy. In particular, there is a need to maintain a watching brief in respect of evolving evidence around transport issues and opportunity associated with the Purley Way TA, with a view to ensuring that the growth opportunity along this key corridor is fully realised in the context of net zero and other objectives