
PROPOSED CHANGE TO PPG3 HOUSING - INFLUENCING THE SIZE, TYPE AND AFFORDABILITY OF HOUSING

1 SUMMARY

- 1.1 This report seeks Members' views on Government proposals to amend the Guidance in PPG3 on the size, type and affordability of housing.

2 THE PROPOSED CHANGES

- 2.1 The Government states that the proposed changes to PPG3 are intended to secure more affordable housing as part of the timely delivery of agreed housing numbers. The proposed change will be accompanied by practice guidance that will replace the more lengthy and detailed commentary in PPG3 and Circular 6/98 (Planning and Affordable Housing). The revisions therefore reflect the Government's stated aim for PPG's (to be called "Planning Policy Statements" (PPS) in due course) to provide a shorter more concise statement of Government policy.
- 2.2 The new text for PPG3 highlights the role of Regional Planning Guidance. Regional Planning Bodies will be required to maintain an up-to-date understanding of housing requirements in their areas. In their turn, local planning authorities' plans must also be based on up-to-date assessments of housing needs and these needs assessments should be co-ordinated by Regional Housing Boards.
- 2.3 Assessments must, of course, consider affordability, but should also address the housing required by current and anticipated households, including those of specific groups, such as key workers, disabled or elderly people and for particular types and sizes of accommodation.
- 2.4 RPG must not set out the detail of policies for affordable housing in Local Plans, but must explain how planning at the local level is expected to contribute to meeting identified affordable housing needs.
- 2.5 Local Planning Authorities must include in their Local Plans policies to deliver affordable housing and define what is "affordable housing". The definition will take account of income levels, house prices or rents for different types and sizes of housing and take account of the needs of identified groups such as key workers. The assessment must cover the full range of affordable housing needed in their communities.
- 2.6 Local Plans should set out the steps to be taken to meet targets for affordable housing. In doing so, the required provision should not make development unviable.

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- 2.7 Affordable housing should 'not normally' be sought on sites of less than 0.5 hectares or developments of less than 15 dwellings. However, subject to justification, affordable housing can be sought on smaller sites.
 - 2.8 In terms of delivery, the revised guidance indicates that failure by applicants to comply with policies on affordable housing can justify refusal of planning consent.
 - 2.9 Overall, policies in Local Plans should widen housing advice and encourage better social mix. Applications that conflict with the objective of widening housing choice should be refused.
 - 2.10 Affordable housing policies are to be applied to both urban and rural areas and sufficient land should be available within or adjoining existing villages to enable identified local requirements to be met.
 - 2.11 The Government has provided a draft framework for the more detailed advice to be included in a practice guide. The material is included in Appendix 1 to this report.

3 DISCUSSION

- 3.1 It is clear that the Government is intent on continuing to use the planning system as one of the key ways to deliver increased numbers of affordable (subject to definition) homes. The proposed revisions to PPG3 reinforce the requirement for Local Planning Authorities to undertake ever more detailed analysis of the housing needs for their areas and then to build policies into Local Plans that ensure subsequent delivery.
- 3.2 The strategic policy framework and the role of Regional Planning Bodies is very clearly stated in the guidance and this includes the co-ordination of needs assessment at local level.
- 3.3 A key component of the revised guidance is the publication of a practice guide and this will include detailed information on assessing housing needs. This is essential if the work undertaken by Local Planning Authorities is to be robust and stand the test of scrutiny.
- 3.4 The guidance provides some information on the factors to be taken into account in assessing "affordability" but, again, the detailed information on this is to be included in the practice guide.
- 3.5 It is noted that specific mention is made of housing needs in relation to key workers (and other groups). However, there is no mention in the guidance or in the resumé of the practice guide of a definition for 'key worker'. It is considered that a definition should be included at the very least within the practice guidance.

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- 3.6 The site size thresholds are proposed to be reduced from 25 dwellings and 1 hectare to 15 dwellings and 0.5 hectares, although smaller sites can make a contribution if there is justification. The Government is therefore seeking to increase affordable housing contributions from developers by bringing a greater number of sites into consideration. Local Authorities are asked to work with developers to ensure that schemes are viable. There is no doubt that Local Authorities will need to obtain much more information about site development, costs, etc., during the planning process if this arrangement is to be workable. It is debatable whether developers will be keen to allow such information to be made available, though.
- 3.7 In addition, it is clear that the information included in the Local Plan on affordable housing will need to be much more detailed and individual site allocations will need to be fully assessed for the contribution they should make.

4 RESOURCE IMPLICATIONS

- 4.1 The changes proposed will have resource implications for policy preparation and monitoring, though at this stage it is not possible to be specific. The development control application process will also be affected, but additional negotiations/discussions on affordable housing provision is part of the applications process.

5 RECOMMENDATION

- 5.1 It is proposed that the Committee **RESOLVES**

That, subject to comments from Members, the comments in this report form the basis of a response to the consultation from ODPM on Influencing the size, type and affordability of housing.

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Background Papers: Consultation paper on a proposed change to PPG3 Housing – Influencing the size, type and affordability of housing, July 2003.

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