
PLANNING POLICY STATEMENT 3 (PPS3) HOUSING - CONSULTATION

1 SUMMARY

- 1.1 This report explains the Government's proposals for a new Planning Policy Statement 3 (PPS3) Housing to replace Planning Policy Guidance Note No. 3. A copy of the consultation document has been placed in the Members' Library.

2 BACKGROUND

- 2.1 Following the publication of the Barker Review of Housing Supply, the Government is now setting out its objectives for housing and its ambition for a step-change in housing provision, particularly to address the issue of affordability.
- 2.2 At the same time as publishing a consultation on PPS3, the Government also published its proposals for the introduction of a Planning Gain Supplement (PGS): this was reported to the Environmental Services Committee on 11 January.
- 2.3 The Government intends that PPS3 will "create the conditions required to make planning more responsive to the housing market and better able to deliver the variety and choice of housing that will ensure that communities are sustainable, mixed and inclusive, in both urban and rural areas".

3 GUIDANCE EXPLAINED

Regional Spatial Strategies (RSS)

- 3.1 It is intended that regional spatial strategies should provide the framework for planning within identified sub-regional market areas and at the local level.
- 3.2 The RSS must therefore set out:
- level of housing provision for the region for 15-20 years;
 - identify sub-regional housing market areas and the level of housing provision;
 - arrangements for managing release of land between Local Authorities in each market area;
 - the brown field target;
 - the density targets;

- affordable housing targets for the market areas;
- the approach to achieving an appropriate mix of household types; and
- the approach to rural housing.

3.3 Brief advice is then provided on the sustainability appraisal to test the housing provision and its distribution.

Local Development Frameworks

3.4 It is intended that Local Development Frameworks (LDF) will set out a strategy for housing provision within the context of the relevant sub-regional housing market area.

3.5 The LDF must set out the level of housing provision, set a housing trajectory, allocate sufficient land and buildings to deliver the first 5 years of the trajectory and ensure there is land for a further 10 years' worth of housing.

3.6 In addition, the LDF should consider the level of housing expected on sites, density, the balance of household types, need for affordable housing and the approach to rural housing.

Allocating and Releasing Land

3.7 A five year supply of developable land must be provided. To be developable a site must be available, suitable and viable. In determining sites to be included in the five year supply, planning authorities must have regard to the sustainability appraisal of the site allocation development plan document.

3.8 The priority for development is developable brown field land, and local planning authorities will be required to review all non-housing allocations and consider whether such land might be more appropriately used for housing or mixed use development.

Efficient Use of Land

3.9 A brown field strategy must identify and remove constraints for developers and Local Authorities should make use of compulsory purchase powers. The national target for providing 60% of development on brown field sites will remain.

3.10 The minimum density should be no less than 30 dwellings per hectare, but an indicative range is provided in the document for different locations.

| | Location | | | |
|----------------------|---------------------------|---------------------|------------------------|---------------------|
| | <i>City centre</i> | <i>Urban</i> | <i>Suburban</i> | <i>Rural</i> |
| Density Range | Above 70 | 40-75 | 35-55 | 30-40 |

- 3.11 Local Authorities should develop parking policies having regard to expected car ownership for planned housing in different locations, the efficient use of land and the importance of promoting good design.

Affordable Housing

- 3.12 The definition of affordable housing is housing including social-rented and intermediate housing (shared equity).
- 3.13 In determining the overall target planning authorities must consider sub-regional housing market assessments, and the level of developer contribution that can realistically be sought on relevant sites.
- 3.14 Separate targets can be set for social-rented and intermediate housing, the latter category being particularly important to meet the needs of key workers and first time buyers. The presumption is that affordable housing should be provided on the application site.

Rural Housing

- 3.15 Development may be provided for in villages and other small rural communities where needed to contribute to their sustainability. The priority, though, remains with development on brown field sites.
- 3.16 Rural exception sites are also still to be considered but any housing must be released for affordable housing in perpetuity.

Designing for Quality

- 3.17 Local Authorities should develop a shared vision with their local communities of the type of residential environments they wish to see, create streets and spaces that meet the needs of people taking account of public health, crime prevention, etc.
- 3.18 Account should be taken of the contribution that the conversion and redevelopment of existing houses and gardens can make in terms of minimising the pressure on green field sites.

Managing Delivery and Development

- 3.19 Applications for planning permission should not be refused on the grounds that the preparation of the site allocation development plan document would be prejudiced. Applications should be considered favourably where there is evidence of an imbalance between housing demand and supply, the site is suitable for development and the proposal makes efficient use of land, offers good housing mix and is a high quality design.

- 3.20 Where policies are not delivering the required housing trajectory (a graph of progress) the planning authority should intervene, for example, by identifying and removing the barriers to development.

4 DISCUSSION

- 4.1 Draft PPS3 is a major change to the Government's thinking on the delivery of housing currently explained in Planning Policy Guidance Note No. 3 and Circular 6/98.
- 4.2 Underpinning Government thinking on new development has for many years been the key principle of the sequential approach to the identification of sites. This has been considered as a central plank of Government planning policy, but in the new world of housing market areas it seems there is now no room for this approach.
- 4.3 Housing market areas are intended to be based not on administrative boundaries but on a realistic assessment of the local areas within which people look to satisfy their housing requirements. This approach was first mentioned in Planning for Housing Provision published in September 2005 and reported to the Committee on 6 September 2005. It seems that Members' concerns with this approach have not been listened to and draft PPS3 now seeks to embed the new approach as policy.
- 4.4 Still central to the Government's thinking is also the shift from housing need to housing demand as the focus for a step change in the delivery of housing numbers. However, this approach inevitably runs the risk that developers will look to provide housing that achieves maximum financial gains and avoid the provision of appropriate levels of affordable homes.
- 4.5 A related issue of concern is the role of the planning system in providing housing. Should planning simply be directed to follow the market or should its role be focused on ensuring that housing fits the needs of local communities and that areas are regenerated? The Council's concerns raised under the consultation on planning for housing provision are still valid for PPS3 – the ability of local planning authorities to influence housing provision is being subsumed by the market and this may not be to the benefit of those who need help and assistance to obtain affordable housing or achieve a first step on the housing ladder.
- 4.6 The new guidance also places very significant demands on local planning authorities to monitor and manage housing provision. The requirement for a 5 year supply of housing is not new but PPS3 intends authorities to prepare detailed housing trajectories, to monitor these on an ongoing basis and to take immediate action where housing numbers fall below the line. This requirement reflects the Government's stated intention to deliver the numbers of houses specified in the strategies for the growth and regeneration areas.

Within this monitoring process, developers may very well seek to push for more housing land to be provided on the basis of an economic case.

- 4.7 There is much in PPS3 about the use of brown field land, which includes the re-use and development of existing housing land. There is no doubt that in Rochford the intensification of existing residential areas has continued at a high rate for many years, but there must be a finite limit to such land, particularly given the growing concerns about density. However, PPS3 pulls no punches on the issue of density and reinforces the point that efficient use must be made of all available land.
- 4.8 A matter of ongoing concern for Members and residents is the Government's stance on parking. Interestingly, PPS3 suggests that local planning authorities should, "develop parking policies for their plan area with local stakeholders and local communities". The requirement for 'maximum' parking standards does not appear in the draft, but Members should not take this as acceptance that standards can increase as a result. The Government view is that the very tight control over density and the advice on the efficient use of land will make it very difficult or impossible for planning authorities to adopt a more relaxed stance to parking provision.
- 4.9 The Government has long held the view that affordable housing includes the provision of 'low-cost market housing', despite the concerns raised by many Councils. Interestingly, PPS3 now adopts a more sensible definition that excludes open market housing – a level of subsidy is now required. This is important since developers have sought in the past to justify the lower value units in their schemes as the affordable element and this loophole will now be closed.
- 4.10 PPS3 will herald a significant change in the way housing is delivered through planning. There are still, though, important concerns about the shift to a market-led approach, particularly one that will be focused on, as yet, unidentified housing market areas. By the back door this could result in Rochford being required to provide housing for Southend, though in reality it is difficult to see that Rochford and Southend could be classified as one housing market area.

5 RECOMMENDATION

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

That, subject to comments from Members, this report forms the basis of the Council's response to the consultation on Planning Policy Statement 3 Housing.

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Background Papers:-

Planning Policy Statement 3 Housing – December 2005

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