

Report of	Meeting	Date
Head of Development and Regeneration	Development Control Committee	14.02.06

## DRAFT PLANNING POLICY STATEMENT 3 (PPS3) – HOUSING

### PURPOSE OF REPORT

- To inform members of a consultation paper on a draft of a new Planning Policy Statement 3 (PPS3) on Housing. The consultation paper seeks views and comments on draft PPS3 to be submitted to the Office of the Deputy Prime Minister by 27<sup>th</sup> February 2006.

### CORPORATE PRIORITIES

- The draft policy guidance is based on sustainable development which is one of our corporate principles. It has implications for planning and the development of housing in the Borough and consequently creating a greener, cleaner, safer Chorley. There are also implications for our capacity to deliver affordable housing. Reform of national planning policy guidance is intended to result in shorter, more focused documents, which provide greater clarity on national planning policy, which should enable the Council to deliver a better planning service.

### RISK ISSUES

- The issues raised and recommendations made in this report involve risk considerations in the following categories:

Strategy	✓	Information	
Reputation		Regulatory/Legal	✓
Financial		Operational	✓
People		Other	

- The risks identified may arise if the final guidance is not taken into account when preparing future local development documents and determining planning applications.

### BACKGROUND

- PPS3 sets out the national planning policy framework for delivering the Government's housing objectives and will replace Planning Policy Guidance Note 3: *Housing* (PPG3) published March 2000. The draft follows a wide-ranging review of PPG3 arising from concerns across Government, and particularly the Treasury, over the affordability and supply of housing. This review also included two updates to PPG3 published in January 2005: *Planning for Sustainable Communities in Rural Areas* and *Supporting the Delivery of New Housing*, reported to Members in March 2005. When finalised PPS3 should be taken into account in the preparation of Local Development Documents (LDDs) produced as part of the Local Development Framework and may also be material to decisions on individual planning applications.

6. Further advice on the policy approach and practical implementation of PPS3 will be included in supporting practice guidance and a companion guide which have yet to be published.

## KEY PRINCIPLES

7. Consistent with previous guidance, the Government's key objective for planning for housing is to ensure "everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live". To achieve this objective PPS3 seeks to:
  - ensure the availability of a wide choice of both market and affordable housing;
  - deliver a better balance between housing demand and supply, improving affordability where necessary, and;
  - create sustainable, inclusive and mixed communities of high design and build quality.

## REGIONAL SPATIAL STRATEGIES

8. Draft PPS3 introduces a focus on sub-regional housing markets, to be identified in Regional Spatial Strategies, as the basis for planning new houses. The Regional Spatial Strategy should set out the level of housing provision for the region for 15-20 years and, underpinned by sub-regional housing market and housing land availability assessments, the level of housing provision for each sub-region and local authority within that sub-region for the plan period. In sub-regional housing markets where demand is high, the Regional Spatial Strategy should aim to increase housing supply in order to meet demand within the locality it is generated.
9. In addition to setting housing requirements, PPS3 expects the Regional Spatial Strategy to establish targets for prioritising brownfield land, higher density development and affordable housing targets for the region as a whole and for each sub-regional housing market area. Approaches to achieving an appropriate mix of household types, meeting rural housing and rural affordable housing needs and provision for Gypsies and Travellers should also be included in the Regional Spatial Strategy.

## LOCAL DEVELOPMENT FRAMEWORKS

10. **Allocating and releasing land for housing.** Taking account of the Regional Spatial Strategy and the relevant sub-regional housing market area, the Local Development Framework should allocate sufficient 'developable' land – that is available, suitable and economically viable land – to meet the 5 year housing requirement, taking into account a brownfield windfall allowance only where it is not possible to allocate sufficient land. A further 10-year supply, which can be phased, should be allocated where possible, either specific sites or broad areas of land for future growth included in the Core Strategy. The five-year land supply should have regard to the Sustainability Appraisal of sites and a review of all non-housing allocations to consider whether they may be more appropriate for housing or mixed use.
11. **Efficient use of land.** The priority for development is described as 'developable brownfield land' and targets should be set for brownfield development and housing densities in excess of 30 per hectare across the plan area. The Local Development Framework should also set out a local strategy for bringing forward and developing brownfield sites through identifying and removing constraints to its development. Where necessary, greater use of compulsory purchase powers should be used. Interestingly the draft PPS implies a more flexible approach to car parking provision.
12. **Housing type and affordable housing.** The Local Development Framework should set out the balance between different house types to be provided to achieve mixed communities and an affordable housing provision target. Separate targets should be set

for social rented and 'intermediate' housing where appropriate, the latter referring to housing above social rented but below market prices or rents. Alongside overall targets, a minimum site-size threshold, expressed as numbers of homes or area, above which affordable housing will be sought should be set. There is to be a presumption that affordable housing should be provided through cross subsidy on market housing sites, in order that it contributes towards the objective of creating more mixed communities. Plans may, however, set out the circumstances in which provision would be acceptable off-site such as through a financial contribution.

13. **Rural Housing.** Sufficient land should be made available within or adjoining market towns or villages for both affordable and market housing in order to sustain rural communities, with an emphasis on developable brownfield land in settlements that are well served by public transport and other facilities. Where brownfield land is either insufficient or non-developable, greenfield (not necessarily Green Belt) sites may need to be used. Lower site-size thresholds, a higher proportion of affordable housing or the allocation of small sites solely for affordable housing in rural areas are all supported by the draft PPS so as to meet local needs. Criteria against which windfall sites in rural areas would be considered should also be established.

## **MANAGING DELIVERY AND DEVELOPMENT**

14. Draft PPS3 states that local planning authorities should consider favourably planning applications for housing development on windfall sites where there is evidence of an imbalance between housing demand and supply. Provided that is, the site is suitable for housing development and the planning proposal makes an efficient use of land, offers a good housing mix, is of high quality design and does not have an unacceptable impact on the environment. Permission should not be granted, however, where this would discourage the development of allocated developable brownfield sites.
15. At the district level, significant emphasis is to be paid to monitoring housing permissions, starts and completions, housing markets and the performance of policies aimed at delivering housing. There should also be collaboration between authorities and with housing providers at the sub-regional housing market area level. Where policies are not delivering required housing development, the Annual Monitoring Report should set out what actions are required to ensure the delivery of the level of housing provision, including affordable housing targets. A five-year land supply should be maintained through regular review and updates of allocations.

## **VIEWS REQUESTED BY GOVERNMENT**

16. As part of the consultation on PPS3, the ODPM is specifically requesting views on the following questions:

### **Do the policies set out in draft PPS3 deliver the Government's housing objectives?**

*Ensure a wide choice of housing types, including affordable housing:* While raising the threshold at which affordable housing is required on individual sites is likely to increase provision of affordable housing, stronger guidance is required on the proportion of affordable housing to be sought upon such sites. This is particularly relevant in light of the role market housing can have in facilitating and financing affordable housing.

*Deliver a better balance between housing demands and supply and improve affordability:* It is too simplistic an approach to expect that increasing the amount of land available for housing will improve affordability. While sub-regional housing market areas are a more appropriate level for setting housing numbers, the pressure put on local authorities to identify land for housing may be at the expense of sustainable employment sites and the environment, and underplays the importance of windfall sites in delivering new housing. This could all undermine the ability to appropriately manage housing land supply.

Clearer guidance should be offered on how applications for brownfield windfall sites should be considered, as the PPS appears to provide a presumption in favour of developing such sites come what may. This may lead to difficulties in resisting such proposals where this would lead to an oversupply of housing. However the recognition that garden curtilages are not necessarily suitable for development is welcomed.

*Create sustainable, inclusive, mixed communities:* It is considered that design codes will prove a useful tool in improving the quality of new homes and housing developments, ensuring construction better reflects its environment and the wishes of local communities. More emphasis should be given to promoting the application of sustainable design and construction in new developments, particularly in support of integrated renewable energy technologies referred to in PPS22.

### **Are the arrangements for delivering PPS3 clearly set out?**

Yes. The draft guidance is very prescriptive on the role of Regional Spatial Strategies and Local Development Frameworks in achieving the Government's objective for planning for housing without preventing consideration of important local factors.

### **Are the definitions set out in Annex A clear?**

The definition of 'brownfield land' is comprehensive. A similar definition of 'greenfield land' with respect to the allocation of land for housing in rural areas (paragraph 31) would seem appropriate.

The distinction between 'intermediate housing' and low cost market housing (sensibly now excluded from the definition of affordable housing) should be explained to aid clarity. It is noted that the companion guide will provide further information.

## **COMMENTS OF THE HEAD OF HUMAN RESOURCES**

17. There are no direct HR implications related to this report.

## **COMMENTS OF THE DIRECTOR OF FINANCE**

18. No comments received.

## **CONCLUSION**

19. Draft PPS3 is intended to make planning more responsive to housing need and demand. The implication of the guidance is that to meet housing demand and improve affordability, more land than previously will be allocated for housing. This is too simplistic a view of how housing markets operate. The focus on sub-regional housing markets will in our case require continued joint working with Preston City and South Ribble Councils and emphasises the importance of on-going monitoring of housing land and markets.

## **RECOMMENDATION(S)**

20. That the report be noted and the consultation responses contained within be forwarded to the Office of the Deputy Prime Minister.

J MEEK  
HEAD OF DEVELOPMENT AND REGENERATION

**Background Papers**

<b>Document</b>	<b>Date</b>	<b>File</b>	<b>Place of Inspection</b>
Consultation Paper on a New Planning Policy Statement 3 (PPS3) Housing	December 2005		Council Offices, Gillibrand Street

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>	<b>Doc ID</b>
Alistair Gemmell	5741	01/02/06	COMREP7.doc