

Leicester
City Council

All Wards

Planning and Development Control Committee
Economic Development and Planning Scrutiny Committee
Housing and Community Safety Scrutiny Committee

20th March 2007
22nd March 2007
28th March 2007

Planning Policy Statement 3: Housing

Joint Report of the Acting Corporate Director of Regeneration and Culture and the Corporate Director of Adults and Housing

1. **Purpose of Report**

This report informs members of the Government's planning and housing policy changes in Planning Policy Statement 3 Housing and advises members of what these changes mean for Leicester's current planning policies.

2. **Summary**

The Government published Planning Policy Statement 3 (PPS3) in November 2006. PPS3 seeks to underpin the delivery of the Government's key housing policy goal – to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live.

3. **Recommendations**

3.1 Members are recommended to note the report and in particular,

3.2 The guidance in PPS3 will supersede some of the housing policies in the adopted City of Leicester Local Plan such as the lowering of the affordable housing site threshold from 25 to 15 dwellings.

4. **Financial & Legal Implications**

Financial

4.1 There are no direct financial implications arising from this report.

Martin Judson, Head of Finance, Regeneration & Culture, Ext 7390

Legal

4.2 Planning Policy Statements set out the Government's national policies on aspects of planning in England. PPS3 sets out the national planning framework for delivering the Government's housing objectives. Local Planning Authorities should take account of the policies in the preparation of their Local

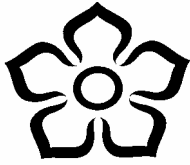
Development Documents and when making decisions on planning applications. In the case of the latter, the operative date is 1st April 2007.

Anthony Cross, Head of Litigation & Advocacy, ext 6362

5. Author of this Report/Officer to contact:

Neal Moore, Planning Policy & Design, Regeneration & Culture, ext 7254.

Janet Callan, Head of Housing Development, Adults & Housing, ext 8713



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SUPPORTING INFORMATION

1. BACKGROUND

In December 2005, as part of the Government's response to Kate Barker's Review of Housing Supply, a consultation draft of a new Planning Policy Statement: Housing (PPS3) was published. Following consideration of all the responses from a wide range of public and private sector organisations the final version of the Planning Policy Statement was published on 29th November 2006. PPS3 cancels former advice in Circular 6/98 'Planning and Affordable Housing' and replaces PPG3 (March 2000 and 2005 updates).

2. PPS3 Planning Outcomes:

The specific outcomes that the planning system should deliver to achieve the Government's key housing policy goal are:

- high quality housing that is well-designed and built to a high standard;
- a mix of housing, both market and affordable, particularly in terms of tenure and price, to support a wide variety of households in all areas, both urban and rural;
- a sufficient quantity of housing taking into account need and demand and seeking to improve choice;
- housing developments in suitable locations, which offer a good range of community facilities and with good access to jobs, key services and infrastructure;
- a flexible, responsive supply of land - managed in a way that makes efficient and effective use of land, including re-use of previously-developed land, where appropriate.

3. National Planning Policies for housing and a summary of action required in Leicester:

PPS3 sets out the following eight policies designed to achieve the above outcomes:

i, Achieving high quality housing:

This policy places a much stronger emphasis on improving the quality and design of new housing and neighbourhoods and makes it clear that poor quality applications should be turned down.

It states that, particularly where family housing is proposed, the needs of children should be taken into account to ensure a good provision of recreational areas, including private gardens, play areas and informal play space. These should be well-designed, safe, secure and stimulating areas with safe pedestrian access.

Action in Leicester:

The adopted Local Plan policies, especially those in the Urban Design Chapter, already provide appropriate guidance on achieving high quality design in new developments. However, the Government's stronger emphasis on good quality design in PPS3 is welcomed. Planning Officers will ensure all applicants/stakeholders are advised of this policy requirement in pre-application discussions.

ii, Achieving a mix of housing:

Local Planning Authorities should ensure that the proposed mix of housing on large strategic sites reflects the proportions of households that require market or affordable housing and achieves a mix of households as well as a mix of tenure and price. Smaller sites should contribute to the creation of mixed communities having regard to the proportions of households that require market or affordable housing and the existing mix of housing in the locality.

Action in Leicester:

Local Plan policy H06 seeks to achieve a suitable range of dwelling sizes and types on appropriate large sites. For this policy and H09 (affordable housing) the large site threshold is 1.0 hectare or 25 or more dwellings. This large site definition is superseded by PPS3 guidance that large strategic sites, such as Ashton Green, Hamilton, the Waterside Area and Abbey Meadows, should have a mix of housing that reflects local area needs; smaller sites should contribute to the creation of mixed communities. We need to consider how in practice to do this.

The Leicester & Leicestershire Strategic Housing Market Assessment is due to be completed in 2007/08. In the meantime, the Housing Needs Survey 2002 and its updates, together with other local information, can inform the mix of housing required in Leicester. Planning Officers will

ensure all applicants/stakeholders are advised of this policy requirement in pre-application discussions.

iii, Market Housing:

Local Planning Authorities should plan for the full range of market housing. In particular, they should take account of the need to deliver low-cost market housing as part of the housing mix.

Action in Leicester:

The Leicester & Leicestershire Strategic Housing Market Assessment is due to be completed in 2007/08. In the meantime, the Housing Needs Survey 2002 and its updates, together with other local information, can inform the mix of housing required in Leicester. Planning Officers will ensure all applicants/stakeholders are advised of this policy requirement in pre-application discussions.

iv, Affordable Housing:

PPS3 sets out a new definition of affordable housing which includes social-rented and intermediate housing but excludes low-cost market housing.

In Local Development Documents, Local Planning Authorities should:

- set a plan-wide target for the amount of affordable housing to be provided (reflecting an assessment of the likely economic viability of land for housing within the area, risks to delivery, likely levels of finance available for affordable housing, including public subsidy and the level of developer contribution that can reasonably be secured);
- set separate targets for social-rented and intermediate affordable housing;
- specify the size and type of affordable housing needed in particular locations and, where appropriate, on specific sites;
- set out the range of circumstances in which affordable housing will be required. The national indicative minimum site size threshold is 15 dwellings. Local Planning Authorities can set lower minimum thresholds, where viable and practicable;
- set out the approach to seeking developer contributions to facilitate the provision of affordable housing.

Action in Leicester:

- **The national minimum affordable housing site size threshold of 15 dwellings will be adopted from 1 April 2007.**
- **The new definition of affordable housing is noted.**
- **The economic viability assessment of housing land will still be a material consideration**
- **Adults & Housing Department will continue to advise on the size and type of affordable housing required, informed by the Housing**

Needs Survey and its updates, pending the completion of the Leicester & Leicestershire Strategic Housing Market Assessment.

- **Planning Officers will ensure all applicants/stakeholders are advised of this policy requirement in pre-application discussions.**

v, Making effective use of existing housing stock:

Local Planning Authorities should develop positive policies to identify and bring into residential use empty housing and buildings in line with local housing and empty homes strategies and, where appropriate, acquire properties under compulsory purchase procedures.

Action in Leicester:

The Local Plan includes an annual small site allowance of 150 dwellings which includes residential conversions and re-use of vacant buildings. The Council's Empty Homes Strategy has resulted in the re-use of several hundred empty properties and helped to reduce vacancy rates.

vi, Assessing an appropriate level of housing:

Including using local and sub-regional evidence of need and demand and other relevant information such as the Government's latest household projections and economic growth forecasts.

Action in Leicester:

The Draft Regional Spatial Strategy (RSS) sets out future housing targets for Leicester up to 2026 which will require much higher annual house building rates than the level of planned provision in current adopted Structure/Local Plans. The RSS proposals are the same as the New Growth Points initiative. This future housing provision will be debated and determined through the East Midlands RSS Examination this summer.

vii, Providing housing in suitable locations:

- identifying suitable locations for housing development.
- effective use of land (a continuing priority to re-use previously developed land)
- efficient use of land (including density targets)

Action in Leicester:

A Strategic Housing Land Availability Assessment is being prepared. Consultants have been commissioned to undertake an assessment of housing land availability in the Leicester Principal Urban Area. Similar studies are also under way for Derby and Nottingham and are being funded by DCLG as part of the 3 Cities New Growth Points initiative. The three studies are programmed for completion in April and the findings and conclusions are intended to inform the East Midlands RSS Examination.

viii, Delivering a flexible supply of land for housing:

Local Planning Authorities will need to identify appropriate sites for 15 years supply to ensure they have a rolling 5-year supply of deliverable sites. To be considered deliverable, sites should be:

- Available - the site is available now;
- Suitable - the site offers a suitable location now and would contribute to the creation of sustainable, mixed communities;
- Achievable - there is a reasonable prospect that housing will be delivered on the site within 5 years.

In determining how much land is required, Local Planning Authorities should not include sites for which they have granted planning permission unless they can demonstrate, based upon robust evidence, that the sites are developable and are likely to contribute to housing delivery within the required timescale.

Allowances for windfalls should not be included in the first 10 years of land supply unless Local Planning Authorities can provide robust evidence of genuine local circumstances that prevent specific sites being identified.

Action in Leicester:

The Strategic Housing Land Availability Assessment, currently under way, will provide a detailed assessment of land supply for housing and provide guidance on phasing and infrastructure requirements.

4. Implementation of PPS3

The Government wants to move as quickly as possible to a development plan policy framework which reflects PPS3. As far as practicable, changes should be made to emerging spatial plans to reflect PPS3 policies. Maximum use should be made of Local Development Framework Core Strategies to set out the approach to housing development and to plan, monitor and manage a 5-year supply of deliverable sites.

Action in Leicester:

Leicester's Core Strategy will be the first Development Plan Document to be prepared under the new Local Development Framework system and it will eventually replace the current City of Leicester Local Plan. The revised Local Development Scheme programmes the Core Strategy Issues and Options consultation to start in September 2007.

Work has started on compiling a robust evidence base to inform future housing and planning policies for the Core Strategy. This includes the Strategic Assessments of Housing Land Availability and the sub-regional Housing Market Area required by PPS3.

5. Determining Planning Applications:

PPS3 states that local planning authorities are not required to have regard to the new policy statement as a material consideration when making planning decisions for housing development until after 1st April 2007.

In deciding planning applications, Local Planning Authorities should have regard to:

- Achieving high quality housing;
- Ensuring developments achieve a good mix of housing reflecting the accommodation requirements of specific groups, in particular, families and older people;
- The suitability of a site for housing, including its environmental sustainability;
- Using land effectively and efficiently;
- Ensuring the proposed development is in line with planning for housing objectives, reflecting the need and demand for housing in, and the spatial vision for, the area and does not undermine wider policy objectives.

Action in Leicester:

Planning Officers will be briefed on these key policies in PPS3 which will be material considerations in determining planning applications after 1st April 2007.

6. Monitoring & Review

Regional Planning Bodies and Local Planning Authorities are required to prepare Annual Monitoring Reports which must include information on a wide range of performance indicators. Housing delivery is monitored by the preparation of housing trajectories which provide details of past and projected housing completions to track progress against planned targets.

Action in Leicester:

Two Annual Monitoring Reports have been produced for 2004/05 and 2005/06. They have been considered by Members prior to submission to GOEM each year.

Further work is required to ensure a rolling 5 year supply of deliverable housing sites to meet PPS3 requirements. The Strategic Housing Land Availability Assessment and New Growth Point Delivery Plan will provide an important input to this work.

7. Financial, Legal other implications

Financial and Legal Implications - see paragraphs 4.1 and 4.2 of main report

Other Implications:

OTHER IMPLICATIONS	YES/NO	Paragraph References within Supporting Information
Equal Opportunities	No	
Policy	Yes	Whole report
Sustainable and Environmental	Yes	Paragraph 2
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	Yes	Paragraphs 3 ii & 3 iv

8. Background papers

Consultation Paper on a proposed change to PPG3: Housing “Planning for Mixed Communities”, (ODPM January 2005)

Consultation Paper on a New Planning Policy Statement 3 (PPS3) Housing, (ODPM December 2005)

City of Leicester Local Plan (January 2006)

Planning Policy Statement 3 (PPS3) Housing (CLG November 2006)

9. Details of consultation

Geoff Mee, Regeneration Manager, Property Services, Resources, Access & Diversity, ext 5077.

Guy Wisbey, 3 Cities New Growth Points Project Manager, Regeneration & Culture, ext 7256

10. Author of this report/Officer to contact:

Neal Moore, Planning Policy & Design, Regeneration and Culture, x 7254

Janet Callan, Head of Housing Development, x 8713