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Dear Mr Lessware

DAFT PLANNING POLICY STATEMENT 3 (PPS3) - HOUSING

I am responding on behalf of the Borough Council to consultation on the draft revisions to PPG3 – Housing. In this respect, I am pleased that you appear to have taken on board at least some of the comments that I previously made on the "Planning for Housing Provision" consultation paper conveyed to you in my letter of 9 September 2005.

Date

As a general point, it is not helpful to publish the consultation draft Policy Statement without its Companion Guide, because many of the questions and concerns may be addressed by the more detailed information that presumably that Guide will contain. It also seems a little cumbersome to accompany the Policy Statement with three separate supporting documents. Why not combine the Guides on Housing Market Assessments and Land Availability Assessments with the Companion Guide. This will avoid any duplication and the possibility of contradiction between them.

One of the fundamental problems with draft PPS3 is the confusion there continues to be over the use of the terms "need" and "demand" and this is because, in my view, the Government's definition of need (as set out in the glossary under Annex A) is wrong. The "need" for housing is that generated by the entire population. The "demand" for housing relates to that element of need that can be met by those able to afford to buy or rent at a commercial rate. "Affordable housing need" is the residual need – ie that element of overall housing need that cannot be met without some form of subsidy. If all housing needs are met nationally then the demand for housing is met, but at the local level demand can often exceed the need, because it relates to the attractiveness of the area for housing rather than the needs of the population to be housed. It is this, rather than any shortage of housing land, that can result in price inflation and thereby increase the need for more affordable housing in such areas.

Planning should therefore be about meeting need and not demand. It should be about steering demand and seeking to create demand in sustainable locations which are strategically suitable for growth or have the physical and environmental capacity to



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accept further development. The corollary to this is that there will be places (eg the Green Belt) where it is not appropriate to meet demand in full and that in order to ensure that local needs are met, higher levels of affordable housing will be required.

Another general point is that it is still not clear exactly when and how this new guidance would come into practical effect bearing in mind the current stage of progress on Regional Spatial Strategies and LDFs. For example, in the South East the RSS is at an advanced stage. If all of the work on the housing distribution had now to be reworked on the basis of housing market areas and be subject to Local Housing Assessments co-ordinated by the Region, then this would give rise to considerable delays in the RSS process with knock-on consequences for the preparation of LDFs. The final version of PPS3 or its Companion Guide needs to include clear advice on transitional arrangements.

I turn now to more detailed points in the order they arise in the draft Policy Statement.

Para 5(g) indicates that Regional Planning Strategies should include affordable housing targets for both the region and for each sub-regional Housing Market Area. What is the role of Local Housing Assessments in target setting if targets for local areas are to be prescribed by the Regional Planning Body. In this context the requirement, in para 24, for Local Authorities to determine overall targets for affordable housing for their area therefore appears to be a potential duplication of effort which could potentially lead to conflict and confusion.

The list of criteria in para 7 for determining the regional distribution of housing makes no mention of Green Belt policy being a strategic constraint on development. Is it to be assumed that this fundamental policy constraint should not be used to influence the distribution of housing because in such areas the <u>demand</u> for housing, as opposed to need, is nearly always high?

Para 9 indicates that in areas where demand is high Regional Planning Bodies should aim to increase housing supply by identify growth areas and growth points, etc. This advice should be amended to allow for the prospect of such supply being increased in adjacent or nearby housing market areas in circumstances where environmental or policy constraints might argue against growth in situ. This could be the situation, for example, in Tonbridge and Malling which is a predominantly Green Belt authority but which lies immediately adjacent to the Thames Gateway Growth Area. In this respect can the subtle difference between Growth Areas and Growth Points please be clarified?

I am most concerned about the suggestion in para 10 that where local housing market circumstances have changed significantly since the preparation of the RSS, LDFs should be able to re-open consideration of the level of housing provision for their areas. Such an approach would undermine the proper cascade of the plan-led system and make a mockery of regional planning if it became nothing more than the aggregate of local planning solutions. If these words remain in PPS3 it will mean that most LDF Examinations will become debates about the overall level of growth, which is something that can only properly be considered at the regional and sub-regional level.

Paras 12(c), 13 and 14 indicates that LDFs should allocate sufficient land for housing to meet the first 5 years of the housing trajectory "taking account of windfall allowance only where it is not possible to allocate sufficient land". Para 28 of PPG3 says that local plans (LDFs) should identify sites for housing sufficient to meet requirements "after making an allowance for windfalls. The suggestion in PPS3 is therefore a radical change that could result in significant levels of over-provision and the unnecessary and premature release of greenfield sites. Provided the estimates of future windfalls are well justified by monitoring and realistic, it must still be right that they are taken into account, together with the potential yield during the first 5 years from extant planning permissions, **before** any land is actually allocated for development. Indeed, in many cases there may not be a need to allocate any land for development in the first five year period because windfalls and permissions are likely to be sufficient to meet requirements during that period. This is certainly the case in Tonbridge and Malling. However, para 13 says that the 5 year supply should be "allocated land that is developable". There is no mention of taking account of existing planning permissions let alone windfall.

Some of the confusion might be because of terminology. Our interpretation of the use of the word "allocate" is that land is allocated for development (ie completion) during a particular plan period. So under the circumstances in our Borough there is no need to allocate any land for development in the first 5 year period. However, perhaps the consultation document is referring to allocating land during a particular period upon which planning permission should be granted during that period. If this is the case it must be recognised that many such sites will not be developed or completed until the following 5 year period. The level of allocation should therefore relate to the period in which it is to be developed not when it is permitted. The definition of allocation needs to be clarified.

Both paras 15 and 16 make reference to the priority being the development of brownfield land. It would be helpful if it could be clarified whether this is supposed to relate only to previously developed sites <u>within urban areas</u>. If so, it should say so throughout the document. Or are previously developed sites in the countryside meant to be dealt with on a par with those within or adjacent to built-up areas. This begs the fundamental question, that was always ambiguous in PPG3, which is whether a previously developed site in the countryside is sequentially preferable to a greenfield site immediately adjacent to an urban area? This could usefully be clarified, particularly as the sequential test, so important in PPG3, seems to have disappeared.

Para 19 deals with density. I am happy with the way things are expressed in this paragraph with the exception of the reference to Annex C. I believe Annex C should be deleted as being far too prescriptive.

Para 20 deals with parking standards. My Council is likely to welcome a move away from the prescription in PPG3 about an average of not more than 1.5 spaces per dwelling, and would support the recognition that parking standards should have regard to the expected level car ownership in different locations.

My Council generally welcomes the proposed changes in respect of affordable housing, in particular the lowering of the national threshold and the ability to determine the level of threshold locally.

Paras 30 says that sufficient land should be made available "within or adjoining" market towns or villages in order to sustain rural communities. Para 31 says that the focus should be market towns or rural service centres where the priority should be the use of brownfield sites but where this is insufficient developable greenfield sites should be identified. However para 32 talks about allocating sites solely for affordable housing "in" larger villages or market towns. Does this mean "within" or does it mean "at"? Is there a particular reason why affordable housing sites should not be identified outside the confines of such settlements?

This leads into para 33 which deals with exception sites. Firstly I do not think it appropriate to define those rural settlements to which an exceptions site policy applies as only those which have been designated for enfranchisement and right to acquire purposes and the Housing Act. This categorisation is not relevant, in planning terms, as to whether the settlement is an appropriately sustainable location in which such development should be located. Secondly, the idea of actually "allocating" a site as an exception to normal policy seems a contradiction in terms. If a site is allocated it is suitable for development, albeit for affordable housing only, and therefore any development on it would, by definition, not be exceptional. In my view, if there is a need for affordable housing in the rural area and sites can be identified, then they should be allocated as such under the terms of para 32. Exceptions should be dealt with as ad hoc planning applications, on their merits, in accordance with a criteria-based policy.

Para 16 and Para 40 et seq deal with "Delivery", but I note there is no longer any concept of "Plan, Monitor and Manage" or clear advice on phasing of development, though Annex D does seek to illustrate crudely the different approaches to managing delivery in different market areas. However, there is nothing that overtly deals with the need to husband land resources in restraint areas where there is high demand. The implication throughout, is that the demand for housing should normally be met regardless. The circumstances under which a phasing policy can be applied, and the way in which it should be applied, should therefore be clarified. The whole document, and particularly para 46 is predicated on the basis that failing to deliver in accordance with the trajectory means under-performing. But there are some places in the Country, like Tonbridge and Malling, where this is not the case; quite the opposite, in fact. Oversupply and the potential for the premature release of allocated and greenfield sites is an issue that also needs to be addressed. Clear policy guidance is required because there is evidence of considerable inconsistency in appeal decisions on the issue of oversupply.

Para 41 indicates that the PPS should be regarded as a material consideration for development control particularly in circumstances where the development plan is out of date or being reviewed. There is nothing unusual in this, which reflects the terms of PPS1. However, I am most concerned about the words in the final sentence that imply that planning authorities should also consider favourably planning applications for housing development on any sites not allocated in the development plan apparently regardless of how up-to-date the development plan is. This requirement flies in the face

of a plan-led approach and will seriously undermine public confidence in the planning system. I am also concerned that the subparagraphs under para 41, which set out the criteria for releasing land outside the development plan process, make no reference to whether the Structure Plan or RSS requirements have been met or even need to be met.

Annex A – Defines Brownfield Land. I have a number of concerns about this. It is noted that footnote (a) specifically excludes urban land not previously developed". However, the draft Practice Guidance on Housing Land Assessments says that in carrying out such assessments account also needs to be taken of vacant sites within urban areas not previously used for any purpose. This is in line with the previous advice in "Tapping the Potential". By definition, such sites are not "previously developed land" and yet para 29 in the Practice Guidance says that such sites "fit with the normal public perception of what constitutes brownfield sites". I think, therefore, that the definition of brownfield land in Annex A to PPS3 needs to be broadened to be consistent with that in the para 29 of the Practice Guide.

Footnote (b) confirms, as did Annex C in PPG3, that all of the land within the curtilage of the developed land is defined as previously developed, but the important further explanation of how these sites should be treated set out in the Annex C to PPG3, which made it clear that this did not mean that the whole site should be built over, is now missing. This is particularly significant in respect of the way back gardens in urban areas are being regarded as brownfield land and sometimes being developed to the detriment of the character and biodiversity of suburban areas. The important reference to the examples of hospitals and airfields is also missing.

Under the definition of Affordable Housing in Annex A it says that such housing must include a provision that the home should remain at an affordable price for future eligible households. How is this supposed to be achieved in the light of the Right to Buy and Right to Acquire provisions of the Housing Act?

Annex B sets out the approach to preparing Sub-Regional Housing Market and Land Availability Assessments. We welcome the recognition that whilst joint working between authorities on such assessments is the preferred approach, there would be no objection to individual authorities carrying out separate assessments so long as the assumptions, methodology and timings are consistent.

Although it is not clear whether you are inviting comments on the Draft Practice Guidance I would like to make the following observations on the Guidance on Housing Land Availability Assessments. As a generality, it seems strange that so much of the Guide is carried forward from Tapping the Potential, much of which deals with the projection of windfall development, when PPS3 appears to want to disregard the contribution of windfall. As the Guide makes clear, the contribution from windfall development can be significant and is often underestimated. This adds weight in my view to the fact that PPS3 is wrong in seeking to down play the importance of taking into account a realistic assessment of windfall development.

Para 30 in the Guide refers to taking into account large vacant and derelict sites "including those beyond the urban area". What is this supposed to mean? Does it mean

immediately adjacent to the urban area, or does it mean way beyond the urban area out in the countryside.

I am surprised that "unimplemented planning permissions" and "existing development plan allocations" are lost on page 18 and listed under "other sources" of supply. In my view any land availability assessment should <u>start</u> with an assessment of what you've got. It is conceivable that existing permissions and allocations may be sufficient to meet housing needs for the entire plan period, and certainly the first 5 years after adoption as required by PPS3. If this is the case, then I might question why it should be necessary to undertake any further assessment of site-specific land availability other than an assessment of windfalls.

I am most concerned at the suggestion in para 44 that land availability assessments should automatically look beyond the urban confines and identify all greenfield sites adjacent to existing settlements. Para 45 goes on to suggest that it is relatively obvious where such sites are and that there should not be any difficulty identifying them. This is an under-statement. The way it is phrased would imply that every field around the edge of every settlement should be identified as a potential housing site. Given the continuing emphasis in PPS3 on affording priority to the development of brownfield land it should be made clear that sequentially, assessments should only need to be made of greenfield opportunities if the supply of brownfield land was likely to be inadequate to meet housing requirements. There should then be at least some guidance, as there was in para 31 of PPG3 on the criteria for the selection of any greenfield sites.

I trust you find these comments constructive. I look forward to some clearer guidance from Government in the final version of the documents which those of us at an advanced stage of Local Development Framework production require without further delay.

Yours sincerely

Brian Gates Chief Planner (Policy)