

## Appendix 1

## SPP 3 Planning for Housing Consultation

**Answers to the formal questions posed by the consultation document are followed by comments on major issues which are not covered by these questions.**

**Q1:** Do you think that planning guidance on Housing in Multiple Occupancy (HMO) should be provided as an annex to SPP3 which replaces the existing Circular 4/2004?

**Response:** The issue of HMOs should not be given such prominence as it is a relatively insignificant issue compared with the main thrust of SPP 3.

**Q2:** Do you agree that this revised structure, including the annexes, improves upon the existing SPP3? In what ways do you think the revised structure provides more effective guidance?

**Response:** The structure of SPP 3 is less critical than the content. However, it is considered that the overall emphasis of the document is unbalanced and the process-based structure a less useful guide to planning policy than the current SPP 3. For example, in relation to the Key Objectives, the emphasis on creating quality residential environments and guiding development to the right places in the current SPP 3 has been replaced with an emphasis on assessing need and demand and then allocating 'generous' amounts of land with less emphasis on the appropriate location of new housing.

**Q3:** Do you agree it is desirable to achieve a more robust and consistent approach to the assessment of housing need and demand? Does the approach set out in Chapter 2 provide an appropriate mechanism for this?

**Response:** The suggestion that housing need and demand should be identified on a more aspirational, but consistent and robust base has a fundamental inconsistency. Housing assessments cannot be aspirational, they must be technically robust and defensible at public inquiry.

Whether intentional or not the revised SPP 3 is promoting a 'one size fits all' approach, which is not helpful. Dealing with projections for all tenures is an extremely complex situation, and requiring the SHNMA and the LHS to both do this will be challenging. The Glasgow and the Clyde Valley Structure Plan area is unique in producing housing projections by private sector, as a response to private sector demand being higher than total housing demand. It would be extremely unfortunate if this work was replaced with an untried methodology which will take significant time to get established and build up expertise. It is suggested, therefore, that SPP3 specifically acknowledges differing approaches across the country and accepts that the new procedures should take these into account.

The pragmatic approach allowed where local authorities have recently completed housing need/demand assessments is to be welcomed.

**Q4:** How should the transition between the existing housing delivery system and that proposed be handled? How best can the cycles of new development plans due from the end of 2008 and the LHS due in summer 2009 be synchronised?

**Response:** In essence this is an issue which will have to be dealt with by individual authorities. It should be recognised, however, that Local Development Plans will have to be synchronised with other policy statements too. The suggestion that all LHS and all development plans should fall into the same cycle, poses the question of whether stakeholders and the Government will be able to deal with all documents being prepared at the same time.

**Q5:** Do you agree that local authorities should set policies to control the proportion of HMO accommodation in a given unit, where they consider this is necessary? How should maximum proportions be decided?

**Response:** It is unlikely that this is going to be a major concern locally, but it could be useful to have the policies in place if circumstances change as HMO licensing doesn't provide powers for refusal on these grounds.

**Q6:** How do you think the planning system and the HMO licensing system can work together more effectively?

**Response:** Cases are dealt with on an individual basis at present. However, if there was an increase in HMO applications, and planning started to limit numbers in an area, a local protocol would be the easiest way to ensure consultation between departments on any relevant applications.

**Q7:** Does 'the period under consideration' require a definition?

**Response:** In practice this phrase in PAN 38 has been clear and not caused a problem. Any attempt at trying to define this to suit all situations is unlikely to be helpful.

**Q8:** Is this a useful way to highlight the range of complementary policy and guidance that should be referred to throughout the process set out in SPP3? If not, what approach would be preferable?

**Response:** This approach is a useful summary.

**Q9:** Are there particular costs or benefits not addressed in the Regulatory Impact Assessment (RIA) What are they?

**Response:** It might be useful to consider timescales. It will take some time before the impact of the SPP3 improves availability and price, if at all. More immediately, communities will feel the impact of additional development in their areas.

**Q10:** Will particular groups not identified by the partial RIA be affected by SPP3?

**Response:** No

**Q11:** How might SPP3 impact positively or negatively on equalities groups?

**Response:** No comment

**Q12:** Will any groups not identified already in the partial Equalities Impact Assessment (EqIA) be affected by SPP3?

**Response:** No

## **Major Issues**

### **Adequacy of the Housing Land Supply**

There is a general assumption throughout the revised SPP 3 that a lack of housing land is the reason why higher rates of housebuilding are not being achieved. This is a very simplistic analysis, and is not the experience in all parts of Scotland. For example, in West Dunbartonshire, the agreed effective land supply has increased in recent years whilst completions have remained stable. If a lack of land is not the issue, we must look further to understand the relationship between land supply and completions. Even in relation to RSL housing, additional sites will only produce completions if new development can be financed.

The use of words such as 'generous' and 'aspirational' in relation to the allocation of land for housing causes concern. In relation to the 35,000 figure, it is not helpful to set such a target without specifying how it should be met geographically, and how it relates to recently approved Structure Plans – for example, are the growth agendas in the Ayrshire and Glasgow and Clyde Valley structure plans 'aspirational' enough? The revised SPP3 as it currently stands will result in continuous challenges from the housebuilders that plans have not been 'generous' enough.

In addition, whilst it is recognised that an element of flexibility should be built into both the supply and demand sides of the equation, over allocation of housing land could undermine the significant efforts and investment which are being put into urban regeneration in many parts of Scotland.

### **Relationship between the LHS and the Development Plan**

It is made clear in the draft SPP 3 that the LHS will include housing supply targets for all tenures, and that the role of the development plan will be to allocate suitable amounts of land to meet the housing requirements of the LHS. This is a significant change from current practice.

The revised proposals would undermine the robust consistent technical work currently undertaken by authorities such as the Glasgow and the Clyde Valley Structure Plan Joint Committee in relation to private sector housing requirements, the methodology and output of which has widespread acceptance. Significantly, the SPP 3 does not distinguish between the roles and functions of the new Strategic Development Plans and the Local Development Plans.

The significant change to the role and purpose of the LHS would also require major organisational change and will have resource implications for local authorities.

### **The SHNMA and Housing Market Partnerships**

It is accepted that the SHMNA guidance is summarised only in SPP3, and it is hoped that a further round of consultation with both planning and housing services will be undertaken before the guidance is finalised. As such, comments on the SHNMA are limited.

The proposed Housing Market Partnership in the Glasgow and the Clyde Valley Structure Plan area would involve the planning and housing personnel from 8 authorities, plus several adjacent authorities, housing associations, private developers and other stakeholders. It is argued that this would be unmanageable for a technical working group. Further integration of the LHS system, concentrating on the addressing social rented need on a primarily local authority basis, and the strategic development plan concentrating on the more mobile demand for private housing could be achieved more efficiently without such organisational change.

The additional resources required to establish and manage Housing Market Partnerships is not recognised, although this issue is raised in relation to the housing land audit in Annex C.

In the conclusion, paragraph 92 states that planning for housing should be based on a range of analyses and assessments including the SHNMA. This is in marked contrast to the rest of the SPP which clearly says that the SHNMA should produce the housing requirement. What is the significance of 'a range of analyses and assessments' being introduced here?

### **Housing Market Areas**

One of the issues raised by the SHNMA is the use of HMAs for all tenures. The majority of social housing need is addressed at local authority level. Whilst there may be some cross boundary movement, moves are regulated, and social rented households are generally less mobile than those in the

private sector. Using a single HMA model for all tenures is not appropriate, whilst introducing two separate models will cause additional complexity.

### **Mixed Communities**

SPP 3 needs to define mixed communities more carefully. Paragraph 77 suggest that every individual development should provide a mixed community. This is only practical on sites over a certain size. Mixed communities could also be achieved, for example, by introducing single tenure private housing into areas of predominantly rented accommodation. Paragraph 55 states that the provision of a variety and choice of sites must be met across the HMA, and this is welcomed. The definition of mixed communities could also be drawn over a wider geographical area.

### **Delivery of Housing**

Guiding development to the right places, the efficient use of land and buildings and ensuring quality residential environments is imperative to planning policy and should be given more prominence in the revised SPP 3. Preference for brownfield development should be stronger in order to support urban renewal efforts, make use of existing infrastructure and services and safeguard greenfield land. The creation of high quality residential environments is a separate Key Objective in the Summary (p 9) but not in the Introduction (p13).

The recognition in paragraph 51 that the delivery of housing does not rely solely on the allocation of land in the development plan is welcomed, although this position is not reflected in much of the revised SPP 3. However, the SPP does not recognise all of the reasons why houses are not built, including for example land banking by developers, and the availability of investment for infrastructure, decontamination etc. The current work by the Housing Task Force on blockages to the delivery of new housing should provide more evidence on this.

In relation to affordable housing, clarification is sought regarding how Supplementary Planning Guidance is to be used. SPG is usually brought in to address an emerging issue prior to a local plan review; paragraph 80 seems to suggest that it is used to detail how affordable housing is to be delivered, which is more relevant to an Action Plan.

### **Annex A**

The widening of the SHNMA to cover housing assessments for all tenures has significant implications. It is argued that if this guidance was limited to social rented housing only, the systems proposed and outputs would be more practicable, and a method could be established to bring the SHNMA together with the strategic housing requirements produced for the strategic development plan.

Should the core outputs not include future stock projections?

Paragraph 20 states that planning authorities should take account of the SNHMA when determining housing provision figures and the right mix of

housing, whereas the thrust of SPP3 seems to be that the LHS is to be the determinant of the housing requirement.

The realism shown in the last sentence in paragraph 21 is to be welcomed. The implications of the new guidance issued by Communities Scotland in relation to land valuation will have to be taken into consideration.

### **Annex C**

Paragraph 2 confirms that Annex C, as a proposed replacement of PAN 38, is advice on good practice, not policy, despite being included as part of SPP 3, and this is to be welcomed.

It is strongly argued that completions on regeneration sites should not be shown net of demolitions. This could result in audit sites having a negative capacity, and it would be impossible to judge how far back to go to decide when demolitions should be taken into account. This will not affect the housing requirement as demolitions are taken into account in stock assessments, but would have serious implications for other users of the audit.

Under the definition of physical constraint, what does a 'solid commitment' mean; how does it differ from a 'commitment' and why has it changed from PAN 38?

A realistic approach should be taken in relation to which sites should be included within the audit. Land identified for housing within draft local development plans should be included in the audit, as should windfall sites which conform to policy before they are granted planning permission. If they are not, further land may have to be identified to meet a deficit in the housing requirement which is less appropriate in planning terms.

It is inconsistent for the guidance to suggest that urban capacity sites can be included, but not windfall sites prior to consent being granted. Urban capacity studies look to a longer timescale, and include land which may provide new housing land in the future, but are not currently in the public domain. As such, some sites will have to be treated as confidential. The involvement of the housebuilders on an individual site basis and the inclusion of urban capacity sites in the housing land audit would not be possible because of this confidentiality.

### **Glossary**

Definition of affordable housing is different from PAN 74. Which takes precedence?

