

Cheshire East Council

**Draft Interim Planning Policy on the
Release of Housing Land**

Draft October 2010



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1. INTRODUCTION

- 1.1 This document sets out the Council's policy approach to maintaining a five year supply of deliverable housing land to be used as an interim measure pending the adoption of the Local Development Framework Core Strategy.
- 1.2 Planning Policy Statement 3 'Housing' requires local planning authorities to monitor and manage the release of housing land to ensure that there is a five years supply of deliverable sites. This includes sites with planning permission, sites allocated for residential development in the Local Plan and identified redevelopment sites within settlement boundaries.
- 1.3 Until the Local Development Framework is adopted, the development plan policies for Cheshire East relevant to the consideration of proposals for residential development are the saved policies of the Crewe and Nantwich, Congleton and Macclesfield Local Plans. The revised timetable for the adoption of the Core Strategy indicates a date for adoption of late 2012.
- 1.4 The purpose of this Interim Planning Statement is to set out a policy to manage the release of additional land for residential development through the consideration of planning applications, to maintain a five year supply, as an interim measure pending the adoption of the Core Strategy, in a manner that would not prejudice the consideration of alternative options for the development strategy for the Local Development Framework.

2. BACKGROUND

- 2.1 Planning Policy Statement 3 (PPS3) was published in 2006 (and amended in 2010) and sets out the national planning policy framework for delivering the Government's housing objectives.
- 2.2 Paragraph 10 of PPS3 sets out the housing policy objectives that provide the context for planning for housing through development plans and planning decisions. It states that the specific outcomes that the planning system should deliver 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.
- 2.3 Paragraph 60 explains the steps local authorities are required to take to maintain a flexible, responsive supply of land. The supply of deliverable sites should be monitored on an annual basis through the Annual Monitoring Report. If a five year deliverable supply is not likely to be available, consideration should then be given to the arrangements necessary to maintain an adequate supply of deliverable sites.
- 2.4 In circumstances where the Local Planning Authority does not manage the supply of housing land and cannot demonstrate an up-to-date five years supply of deliverable sites, paragraph 71 requires that they should consider favourably planning applications for housing, having regard to the policies in PPS3 including the considerations in paragraph 69.
- 2.5 If the local authority cannot demonstrate that it has a deliverable five years supply, this means that the Local Planning Authority should give favourable consideration to planning applications for housing development on sites outside of settlement boundaries. Providing that developers can demonstrate that they meet the requirements of paragraph 69 of PPS3 (which relate to the quality of development, mix of housing in the scheme, environmental sustainability and meeting housing need without undermining the spatial vision for the area), it is difficult for a Local Planning Authority to refuse such applications.
- 2.6 This leaves the Local Planning Authority having to deal with planning applications without reference to a planned approach to the development of the communities of the Borough. PPS3 states that the authority cannot argue that the release of any particular site is premature and should be considered through the Local Development Framework process. Examples from other local authorities demonstrate that in considering appeals in these circumstances, inspectors have frequently allowed developments, because of the lack of a five year housing land supply. There have been cases of such development being allowed in Green Belt locations.

The Annual Housing Requirement

- 2.7 The accepted methodology for determining the total five year supply requirement has been based on figures from the Regional Spatial Strategy. As the Regional Spatial Strategy has been revoked, it will now be for each individual Authority to decide its own housing requirement. The Regional Spatial Strategy housing requirement figure for Cheshire East of a minimum of 1150 net new dwellings per annum reflects the level of house building in the Borough that was being delivered in the ten years up to April 2010.

- 2.8 In considering the appropriate figure to set in the short- term, Members will be mindful of the current downturn in the housing market. Net housing completions during 2009-10 was 634, which was less than the previous year. Completions since April 2010 continue to be low and are likely to be around 700 for the year. However, there is considerable interest in housing development in Cheshire East and numbers should rise in the future as the housing market improves. The Council's ambitious plans for growth should give further encouragement to development.
- 2.9 A separate report to Cabinet on the Local Development Framework Core Strategy considers options for the future housing requirement to be set in the Local Development Framework. These have been developed in the context of delivering the Council's ambitions for growth and look at the implications of increasing the requirement from 1150 to 1350 or 1600 dwellings per annum. The LDF will include a Borough wide development strategy with site allocations, policies and an infrastructure to secure the delivery of the housing and necessary infrastructure.
- 2.10 If the housing requirement were increased immediately this would require the release of a number of additional housing sites ahead of the adoption of the Core Strategy. There is a risk that the Council would not be able to secure the full infrastructure levy from these sites that would be expected once new LDF policies are in place .
- 2.11 **It is therefore proposed to continue to use the Regional Spatial Strategy figure of a minimum of 1150 net additional houses per annum until it is reviewed formally through the Local Development Framework.**

Managing the Five Year Housing Land Supply

- 2.12 The Local Development Framework Annual Monitoring 2009 report calculated the Council's five year supply of housing land at 1 April 2009 as 5.14 years, based on the RSS figure. Since then a full review of potential sites has been carried out in parallel with the preparation of a Strategic Housing Land Availability Assessment for the whole of Cheshire East. The latest assessment indicates a supply of 4.58 years at 1 April 2010.
- 2.13 The failure to be able to demonstrate a five year supply of available housing land has implications for the Council. PPS3 states that "where local planning authorities cannot demonstrate an up to date five year supply of deliverable sites they should consider favourably planning applications for housing, having regard to the policies in this PPS".
- 2.14 The inability of the Council to demonstrate a five year supply of housing land carries a high risk that land owners/developers will submit speculative planning applications for their development outside settlement boundaries. Such applications would have to be determined through the planning process in the usual way. In the

case of refusal of planning permission, appeals may be upheld on the grounds that there is not a 5 years housing land supply. Nevertheless whilst there is less than a 5 year supply of deliverable housing sites, there is a high degree of risk that planning permission may be granted on appeal for housing on greenfield sites outside settlement boundaries in conflict with the policies of the three Local Plans. Such decisions would also prejudice the preparation of the Local Development Framework and affect the Council's ability to objectively determine the most appropriate strategy and sites for future housing development.

Interim Policy to Manage the Release of Housing Land

- 2.15 The Interim Planning Policy on the Release of Housing Land has been drawn up in the context of the work that has been undertaken on developing the Crewe Vision to promote the growth and prosperity of Crewe as a town of sub-regional importance. The development of Crewe will be fundamental to the development strategy for the Borough. Development in Crewe will support sustainability objectives as Crewe has a good range of jobs, shops and services and a high standard of accessibility by means of travel other than the car.
- 2.16 The development proposals envisaged for Crewe will require significant investment in the strategic highway network around Crewe, in particular the Crewe Green Link Road and the Barthomley Link Road, to improve accessibility to Junction 16 of the M6. In addition, improvements to the local highway network in Crewe and public transport and cycling provision will be required to facilitate new housing development on the outskirts of Crewe. The Council is currently considering options for securing funding of the necessary strategic and local transport improvements. Once the funding arrangements have been approved by the Council, any new housing developments that impact on the highway network in and around Crewe will be required to make contributions towards both strategic and local transport improvements
- 2.17 The Interim Planning Policy will facilitate the release of a limited number of housing sites on the edge of Crewe outside the green gap. Developers of these sites will have to demonstrate that the site can be delivered within five years of the grant of permission and as there are little or no redevelopment costs associated with these greenfield sites, they will be required to deliver high quality, well designed developments with a minimum of 35% affordable housing in accordance with the Interim Planning Statement on Affordable Housing as well as contributions to improve the strategic and local transport networks in accordance with the forthcoming Transport Contributions Levy. In addition, open space and/ or community benefits will be required to meet the needs of future residents in accordance with the saved Local Plan policies.

- 2.18 The Interim Planning Policy will also enable housing to be brought forward as part of mixed use redevelopment schemes within settlements to support the development of the site for employment, town centres and or other uses, in accordance with the relevant Local Plan policies. Subject to economic viability assessment, a minimum of 30% of the housing should be affordable in accordance with the Interim Planning Statement on Affordable Housing.
- 2.19 Consultation on the draft interim policy will be carried out for six weeks during November – December 2010 with town and parish councils, the Housing Market Partnership, stakeholders and the local community.
- 2.20 It is proposed that the policy should be used in the consideration of planning applications with immediate effect and will be considered as a material consideration, although it is recognised that it will not carry significant weight until it is adopted by the Council following consultation.

Draft Interim Planning Policy on the Release of Housing Land

When it is demonstrated through the Annual Monitoring Report that there is not a five year supply of housing land as defined by PPS3, subject to other saved policies of the relevant Local Plan being satisfied, residential development will be permitted in the following locations:

1. Adjacent to the settlement boundary of Crewe provided that the site:
 - is well related to the built framework of the settlement;
 - is not within the Green Gap;
 - is not within an allocated employment area; and
 - is capable of being fully developed within five years of the granting of outline planning permission.
2. As part of mixed developments in town centres and regeneration areas to support the provision of employment, town centre and community uses.

Housing developments on greenfield sites will be required to deliver:

- a minimum of 35% affordable housing in accordance with the Interim Planning Statement on Affordable Housing;
- Open Space and / or community facilities in accordance with the relevant saved Local Plan policy;
- Improvements to the strategic and local highway network, public transport, and pedestrian and cycle routes; and
- A high quality designed development to Code for Sustainable Homes Level 4 or higher and Building for Life Silver standard or higher.

Subject to the assessment of the economic viability of the scheme, housing development on mixed use redevelopment sites will be expected to deliver:

- a minimum of 30% affordable housing in accordance with the Interim Planning Statement on Affordable Housing;
- Employment, town centre and / or community uses within the site; and
- A high quality design to Code for Sustainable Homes Level 3 or higher and Building for Life Silver standard.

Justification

1. PPS3 states that the Council is required to demonstrate that there is a five year supply of deliverable housing land. Pending the adoption of the Cheshire East Local Development Framework Core Strategy it is likely that there will be insufficient deliverable housing land within the settlement boundaries identified in the three Local Plans of the former

local authorities. The Interim Planning Policy on the Release of Housing Land has been introduced as an interim measure to facilitate the release of additional sites on the edge of Crewe and to encourage the redevelopment of sites within town centres and elsewhere for mixed uses including housing development.

2. Crewe is a principal town and will continue to be a focus for future housing development in the Borough as envisaged in the Crewe Vision. Although the overall amount and direction for growth has yet to be determined, it is considered that there is scope for sufficient housing development to be brought forward adjacent to the Local Plan settlement boundary of Crewe (not including the village of Shavington) to meet the short term need for housing land in the Borough in a way that would not prejudice the preparation of the Local Development Framework.
3. Sites that are approved under this interim policy should be capable of being built out within five years of the grant of outline planning permission under average market conditions. For sites that will require a longer period for development, permission will only be granted for the first phase of the site.
4. The development of any greenfield sites adjacent to the settlement boundaries will be considered as exceptional development and will be required to be of a high design standard and deliver 35% of the development as affordable housing in accordance with the Interim Affordable Housing Policy. They will also be required to contribute towards the improvements to the strategic and local transport networks and public transport in and around Crewe.
5. It is recognised that there are a number of areas within town centres and older employment areas throughout the towns of the Borough that may have the potential for regeneration. This policy aims to encourage mixed use schemes to come forward which include housing development to support the redevelopment of the site for a range of employment and other uses.
6. Many older areas are designated as conservation areas and include listed buildings. Any scheme should seek to retain and convert existing buildings in these areas. Particular care will be needed with the design of new developments to ensure that they are appropriate to the character of the area.