

ABERDEEN CITY COUNCIL

Name of Committee : Planning Committee

Date of Meeting : 6 March 2008

Title of Report : Draft Scottish Planning Policy 3: Planning for Housing

Lead Officer : Dr Margaret Bochel

Author of Report : David Jennings
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Other Involvement :

Consultation undertaken with : City Solicitor
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Summary of Report

The current version of Scottish Planning Policy 3: Planning for Housing (SPP3) was published in 2003 and is in need of review to address perceived limitations and to bring it into line with the emerging thinking of the Scottish Government as expressed through the Housing Supply Task Force and the consultation paper 'Firm Foundations'. The Scottish Government published draft SPP3 on 7 January 2008 for consultation and the closing date for responses is 31 March 2008. This report proposes a response to the consultation document.

Recommendations

That the Committee note the content of this report and agree to forward it to the Scottish Government (along with any points raised at Committee by way of a covering letter) as the response of the Council to its consultation exercise.

Links to the Community Plan and to Vibrant, Dynamic & Forward Looking

SPP3 is important for the future development of the city and meeting our housing aspirations and needs through the development plan and decisions on planning applications. As such, it will contribute to meeting the aims of the community plan and 'Vibrant, Dynamic and Forward Looking'.

Implementation

This report will be forwarded to the Scottish Government as the Council's response to the consultation, along with any points raised at Committee by way of a covering letter.

Resource Implications

People : None arising from this report.

Finance : None arising from this report.

Systems & Technology : None arising from this report.

Property : None arising from this report.

Other Equipment : None arising from this report.

Other : None arising from this report.

Other Implications

Health & Safety : None arising from this report.

Risk Management : The implementation of the final version of SPP3 (expected to be published in May 2008) may impact on the progress of the current local plan, in as much as the Scottish Government may take it into account when considering the plan, which is due to be submitted to them in mid-2008. However, there is no indication at present that this would present a significant risk. It may also impact upon the preparation of the forthcoming structure plan. As the final version of SPP3 will be a new document there is a risk of unanticipated interpretation and effects. The full benefits of new policies may not be gained immediately as a result of unfamiliarity and the need to incorporate them into the development plan.

**Human Rights/
Equalities/Diversity**

: The Planning etc. (Scotland) Act 2006 requires that Scottish Ministers and planning authorities carry out their planning functions in a manner which encourages equal opportunities and the observance of equal opportunity requirements. SPP3 will help local authorities to promote social inclusion and reduce inequalities.

- Equalities Impact Assessment** : As part of its commitment to equal opportunities, the Scottish Government undertakes an Equalities Impact Assessment (EqIA) of all new and proposed policies. A partial EqIA has been produced within an Annex to the draft SPP3. A full EqIA will be published at the same time as the final SPP3.
- Sustainability** : The foundations of the revised SPP3 are based on a high level commitment to sustainable development. SPP3 will provide improved guidance on energy efficiency and sustainability and will ensure that local authorities and developers consider these factors at every stage of the process. SPP3 will help to create long lasting, adaptable, energy-efficient housing for Scotland.
- Environmental** : Strategic Environmental Assessment (SEA) is required by the Environmental Assessment (Scotland) Act 2005. As part of the preparation of the revised SPP3 the Scottish Government is carrying out a SEA. The resultant Environmental Report has been made available as part of the draft SPP3 document.
- Social** : The overall aim of the revised SPP3 is to refocus the role of planning in the delivery of housing. The goal being to build a better, more diverse range of housing, which is needed to achieve Scotland's social goals.
- Economic** : New housing developments in both urban and rural areas are a key component of sustainable economic growth.
- Construction** : None arising from this report.
- Signature** :

1. Main Considerations

- 1.1. SPP3 has been reviewed to try and bring about the quicker delivery of housing land, and to set down Scottish Government policy on issues affecting location, quality, design and energy efficiency in new housing. This draft SPP3 seeks to reflect the new planning system that is currently being introduced through the Planning etc. (Scotland) Act 2006 and the aspirational national goal of increasing the rate of new housing to 35,000 each year (from around 25,000 – a 40% increase) which was subject to consultation in 'Firm Foundations: The Future of Housing in Scotland'.
- 1.2. In addition to replacing the existing version of SPP3, when published it will also replace Planning Advice Note (PAN) 38: Housing Land and Circular 4/2004: Guidance on the interface between planning control and licensing. The draft SPP3 includes annexes on Strategic Housing Need and Market Assessment (SHNMA), licensing of Houses in Multiple Occupation, the preparation of Housing Land Audits and a list of policy and planning guidance related to SPP3.
- 1.3. Draft SPP3 takes a process-based approach to planning for housing, with a structure which has two main sections – 'identification of housing requirements' and 'delivery of housing'.
- 1.4. Copies of the consultation document are available on the Scottish Government website and have been placed in each of the group rooms. The following sections of this report make comment on some of the general issues raised by draft SPP3, while Appendix 1 responds to the 12 questions posed in the document itself.

2. General

- 2.1. In general, the draft SPP3 has a structure and content which clearly focuses on the delivery of higher levels of new housing and the role that the planning system has to play in this. This is consistent with what the Council is trying to achieve through the new structure plan. It crucially notes however (para 8, p11) that the planning system alone cannot provide appropriate housing developments and that all stakeholders must work together to meet housing needs and aspirations. Both of these are welcome and link in to the Scottish Government's wider culture change agenda which is critical to the success of this SPP. In this regard, the intention noted in para 19 (p6) to undertake a dissemination programme following publication of the revised SPP3 is an innovation which is welcomed. It is suggested that there would be benefit in cross-sectoral events to enhance understanding from a variety of perspectives.
- 2.2. Officers from the Council were involved in the review group noted in para 17 (p6). This proved to be a useful forum for the exchange of ideas, concerns and views among a range of stakeholders and it is to be hoped that a co-operative approach can be taken to implementation following the publication of the revised SPP.
- 2.3. However, it would appear that one consequence of the chosen structure is that there is a general lack of coherence in the document which doesn't hang together well – not helped by the fact that the hierarchy of sub-headings and paragraph numbering are rather confusing. These are issues which should be relatively easy to address in the final document.
- 2.4. While the emphasis on quantity is welcomed, issues of quality appear to have been pushed to the margin compared to the existing version and it is suggested that a better

balance should be sought in the final version. Widespread opposition can be expected if attempts are made to increase the supply without increasing the 'quality' of the product (both in terms of new homes themselves – their design and energy efficiency for example - but also issues surrounding urban design and the provision of appropriate community and transport infrastructure). While para 5 (p4) suggests that good design, quality and energy efficiency underlie the entire process, reading the document does not leave this impression. The Council has demonstrated its commitment to achieving this quality in future development through the new local plan and the establishment of a new Masterplanning and Design team within Planning and Infrastructure.

3. The role of the Strategic Housing Need and Market Assessment

- 3.1. Whilst the aspiration of a more consistent assessment of housing requirements across Scotland (para 23, p17 – through the preparation of Strategic Housing Need and Market Assessments – SHNMAs) is very much welcomed, it is difficult to see how this is necessarily going to assist in providing significantly higher housing completions than in the recent past. This is particularly the case when aspiration, vision and political will appear to be outwith the scope of the assessment due to its technical nature. Equally, as the Council highlighted in its response to 'Firm Foundations', it is not clear that the 35,000 new homes per year target of the Scottish Government is the result of an evidence-based and robust assessment at the national level. Aspiration and vision should play an important part in planning for the future and it would be a retrograde step if the mechanisms proposed in SPP3 precluded such an approach.
- 3.2. It is suggested that Figure 1 (page 15) would make more sense if the five bubbles were to sit within the SHNMA box, along with the 'forecasts of total housing requirements', which appears to sit outside any political context or any responsibility.

4. Levels of detail not appropriate to a statement of policy

- 4.1. Scottish Planning Policies have considerably more weight than Planning Advice Notes. While the inclusion of material from PAN38 and Circular 4/2006 may be seen as useful, one consequence is that levels of detail have entered the SPP which could be considered inappropriate and likely to hinder the efficient operation of the development plan system. A particularly prominent example of this can be found in para 43 (p21) in relation to the plan periods appropriate for development plans. Not only do these appear to be some distance removed from reality, but going into such detail may be counter-productive. For example, the figures do not appear to reflect the differences between areas within and outside Strategic Development Plan Areas (SDPAs) but also the fact that the base date of a plan will always be historic (due to the need for information from the housing land audit). As a consequence, nine or 10 years would appear to be a more reasonable initial plan period rather than six. In any event, such guidance would be more appropriate in the documents replacing PAN37: Structure Planning and PAN49: Local Planning.

5. Mixed communities

- 5.1. The emphasis on mixed communities in paras 28 and 29 (p18) is welcomed, although mention elsewhere of housing developments dilutes this. The SPP should promote sustainable mixed communities (with associated community infrastructure, services, facilities, open space, tenure mix and mix of dwelling types) and not 'housing developments' unless it is clear that these are very small-scale developments.

6. Housing land requirements

- 6.1. The use of the term 'requirement' throughout the draft SPP is inconsistent and not aided by the glossary. Since the use of this word is critical in terms of the provision of housing through the planning system it is critical that the document is absolutely clear in what it means. The distinction needs to be made between the amount of land 'required' to maintain a 5 year effective housing land supply on the one hand and the quantity of land that a plan is 'required' to allocate on the other.
- 6.2. The third sentence of para 20 (p16) is symptomatic of this confusion as not only does it sit awkwardly in the context of this section, but it also appears to contradict current policy (which may or may not be intentional). Unless it was intentional, a clearer wording (placed somewhere else in the document) would be 'Even though housing requirements should be identified on a housing market area basis, allocations should always be made in development plans to particular local authority areas.'
- 6.3. Considerable uncertainty and debate at public inquiries could be avoided if there was absolute clarity of meaning and intention in relation to the use of the word 'requirement'.

7. Relationships between local housing strategies and the development plan.

- 7.1. The proposed relationship between local housing strategies and the development plan is not well defined in the draft SPP, particularly in areas covered by SDPAs. This is further complicated by the different time horizons the two documents work to (5 years in the case of local housing strategies and 20+ years in the case of the development plan). The absence of strategic housing strategies is a potential weakness which a strategic element (agreed by all relevant local authorities) to local housing strategies may help to overcome. However, the question of where requirements are set and open to challenge and debate is still uncertain and there has to be questions about the extent to which such a system will be successful.

8. Houses in Multiple Occupation (HMOs)

- 8.1. It is disappointing that three of the six substantial questions raised explicitly by the Scottish Government relate to HMOs. While it is recognised that this may be an issue in certain parts of Scotland, it is doubtful whether it merits this level of attention in the context of broader issues of planning for housing.

9. Capturing the uplift in land values

- 9.1. The second half of para 90 (p30) is particularly welcome in the context of a proposed significant expansion of the scale of new housebuilding in Scotland. The provision of appropriate infrastructure is key to the delivery of sustainable mixed communities which make a positive contribution to the area. This will only be achieved if significantly more of the uplift in land values than has historically been secured through s75 agreements can be channelled into such infrastructure (schools, community centres, road improvements and public transport provision etc). The review proposed should be carried out as a matter of urgency if there is any hope of increasing the build-rate and producing new communities that we can be proud of. It can be expected that individual planning authorities will seek to move forward in this area in isolation, although a Scotland-wide approach would probably be preferable (potentially along the lines of that being progressed through legislation in England).

APPENDIX 1: CONSULTATION QUESTIONS

The consultation document raises 12 questions. These are addressed below:

Q1 Do you think that planning guidance on HMOs should be provided as an annex to SPP3, which replaces the existing Circular 4/2004?
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Yes. Providing guidance on HMOs in the form of an annex as opposed to a Circular means that information is together as one document. When reading about HMO policy you can refer to the related guidance quickly and easily if it is part of the main policy document. However, the issues need to be kept in context and not allowed to be too dominant.

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?

Yes. The revised structure of SPP3 makes it more streamlined yet complete as a document. The focus is firmly on the identification of housing need and demand, allocation of sufficient land to meet this need and demand and strengthening links between planning control and licensing of Houses in Multiple Occupation. The inclusion of Strategic Housing Need and Market Assessment (SHNMA) guidance will allow local authorities to work together to achieve a strong, clear, consistent approach to the assessment of housing requirements. However, it is suggested that the execution of the revised structure still requires fine-tuning to address issues of duplication and legibility (in terms of navigation) and to make the key messages more coherent.

Q3 Do you agree it is desirable to achieve a more robust and consistent approach to the assessment of housing need and demand? Does this approach set out in chapter two provide an appropriate mechanism for this?
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Yes, although the process as currently outlined is unlikely to meet all the objectives set for it and doesn't allow for vision, political will and local circumstances to be adequately factored into a process which is inherently political and cannot be reduced to a technical analysis of information sources – however important that might be. Structure plans have taken on that role in the past and a mechanism is required to ensure that it does not become a purely technical exercise. The precise roles of the Local Housing Strategy (LHS) and the development plan in taking the information forward is still unclear. Reducing the scope for challenge should be a key objective of the mechanism (as proposed in the draft SHNMA guidance).

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?
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It will be important to ensure that a move towards more aspirational housing requirements in strategic development plans does not lead to instability before the local development plan can respond through the release of additional land.

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

There may be merit in setting a policy framework through SPP3 which enables local policies to be developed in locations where such control is required.

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

No comment.

Q7 Does "the period under consideration" require a definition?

Yes. A definition of the term would be most helpful but clarity needs to extend beyond this term to address all issues which give rise to un-necessary debate surrounding housing land audits.

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?

Yes. The table is simple to use and highlights the important policy and guidance which should be followed. However, hyper-links to the appropriate documents would be very helpful in the final online document.

Q9 Are there particular costs or benefits not addressed in the partial RIA? What are they?

No comment.

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

No comment.

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

No comment.

Q12 Will any groups not identified already in the partial EqIA be affected by SPP3?

No comment.