

Summary

1. The Department of the Environment has issued a Strategic Planning Policy Statement (SPPS) for Northern Ireland. This is open for consultation through to the 29 April. The SPPS is supported by a Strategic Environmental Assessment, an Equalities Assessment and a Regulatory Impact Assessment.
2. The Northern Ireland Federation of Housing Associations (NIFHA) has two core concerns about the SPPS:
 - (a) It does not give enough weight to the importance of the development of new homes including the role of new housing in supporting economic development. It does not directly make it clear that one of the key purposes of the development plan should be to accommodate housing need.
 - (b) It gives very limited guidance on affordable housing (including social rented housing), leaving this for a later policy document.

Context for the SPPS

3. The SPPS consolidates all existing planning policy statements into a single document. In doing so it prunes radically the guidance that is available for those using the planning system. With the exception of a new policy approach on town centres, the SPPS reflects the fundamental principles within the existing planning policy guidance. The Department considered adopting a complete review of planning policy but decided that this should wait until the Planning Act had bedded down.
4. The policy in the SPPS is critically important to the future of planning in Northern Ireland. It sets the framework for the development of new development plans post 2015.

5. The intention is that a Plan Strategy should be adopted by 2017 setting out a Council's core objectives for its area. A Local Policies Plan will then be brought forward in accordance with an agreed timetable. The expectation is that it will take another 2-3 years for the adoption process to be completed for each Local Policies Plan. Once in place the development plans will be the key determinant of whether, or not, planning permission should be granted. It is important, therefore, to make sure that the framework within which local plans are developed is sensible. NIFHA will be developing a formal response to the SPPS, after consultation with members, the Northern Ireland Housing Executive (NIHE), private house builders and other interested parties. Members' views would therefore be welcome.

Content of the SPPS

6. The SPPS is clear, well structured and thoughtful. It discusses the purpose of planning, and then sets out important core planning principles. It addresses issues relating to local development plans and development management, before identifying 16 'subject planning policies' on which more detailed guidance is given. Proposals for implementation, and transition arrangements are then set out.
7. The SPPS emphasises the importance of sustainable development. It notes that there are three pillars to sustainable development, securing economic development, meeting the needs and aspirations of society and protecting the environment. No one factor is given weight above the other, and planning has to perform a difficult role in balancing all three. This should provide a good basis for making sure that the need for affordable housing is met.
8. Although the SPPS is clear, NIFHA has a fundamental concern about the document. In relation to housing it lacks any real ambition. There is no coherent vision in the paper in relation to residential issues. The language is process driven. It does not, clearly, identify what development plans and local planning authorities should do - which should be to meet housing needs where that can be done so sustainably. NIFHA will be emphasising that housing is an important part of the economy in its own right and should be encouraged. It also supports, and underpins, other forms of economic development. Critically, in Northern Ireland, it also helps community cohesion, building communities that are more mixed and balanced. The SPPS should make it clear that affordable homes are a key component of mixed, balanced and sustainable communities. **NIFHA's core recommendation to the Department is that meeting housing need should be a clear, key and central priority in the SPPS.**

9. In fairness, the SPPS cannot be read alone. It cross-refers repeatedly to the Regional Development Strategy 2035. The RDS contains spatial strategy policy on housing and sets out housing needs for Northern Ireland for the period 2008-2025. This indicates a need for 190,000 new dwellings over that 17 year period [only a small proportion of which have been provided over the last 5 years]. The RDS provides a helpful foundation for the levels of need that have to be addressed in development plans. However, the work is now historic, and needs to be reviewed in the light of significant changes in the economy, in the housing market, and in housing need, since the base data was prepared. By the time the local planning authorities prepare their plans starting in 2015, the information will be a decade old and local planning authorities will need to ensure that they have an up-to-date assessment of housing need.
10. The second area that NIFHA will highlight is the almost complete absence of policy relating to affordable housing. This appears to be deliberate. The Department and The Department for Social Development are currently working on bringing forward a new '*operational planning policy*' on developer contributions and this will doubtless inform a new planning policy approach (see paragraph 6.122). NIFHA's view is that this not adequate. The need for housing to be affordable, and provision for all forms of affordable housing to be made through the development plan process, should be at the core of the SPPS. There are hints that this is accepted. In the opening section on the '*Needs and Aspirations of our Society*', reference is made to the importance of '*facilitating delivery of social and affordable homes*'. In the section on the countryside some emphasis is given to the importance of residential development including '*small scale social and affordable housing development where demonstrable housing need exists*' (paragraph 6.26). Unfortunately these sentiments are not built upon.
11. NIFHA will be promoting, broadly, the same policy objectives and policy tools for affordable housing as for housing more generally. Affordable housing need should be identified and, wherever possible, should be met locally. The SPPS should make it clear that there are a range of planning policy tools that can secure affordable housing. Sites could be allocated for affordable housing. Policies could be adopted requiring a percentage of homes on market sites to be provided as affordable homes. In limited circumstances, payments in lieu of on-site affordable housing might be acceptable. The SPPS needs to be clear about this. It also needs to be clear that, save in exceptional circumstances, a failure to meet affordable housing policy requirements should result in refusal.

12. **The Federation's second recommendation is that there needs to be a clear focus on the need to meet affordable housing requirements, for all tenures, in all communities, As part of that there is a need for the DOE/DSD to issue their emerging policy immediately so that an informed view of the overall approach can be taken.**
13. This briefing note should, however, finish on a note of optimism. The SPPS makes it clear that the planning system operates in the public interest. Development should be carried out in a way that would not cause 'demonstrable harm to interests of acknowledged importance'. Paragraph 5.33 of the SPPS confirms the principle that:

'Sustainable development should be permitted, having regard to local development plan and all other material considerations unless the proposed development will cause demonstrable harm to interests of acknowledged importance'.
14. If this continues to be the foundation principle for the SPPS, and the requirement to meet all housing need, including affordable housing requirements, is clearly set out, then the SPPS will set a good foundation for the future.
15. For the benefit of members, the section on 'Housing in Settlements' (paragraph 6.117-6.130) is appended to this Briefing Note. NIFHA will be finalising its response by early April. It would be helpful to receive views, thoughts and challenges to Cameron Watt (cwatt@nifha.org) by Friday 4 April.

NIFHA thanks Stephen Ashworth for his assistance in the preparation on this briefing. Stephen is a Partner at the global law firm Dentons, where he advises in the field of planning, public and regulatory law. His practice concentrates on regeneration, residential and infrastructure projects working for both the private and public sectors. He has market leading experience on tariffs/infrastructure levies, affordable housing, CPOs and viability issues.

Appendices

- Appendix 1 ***Supporting Affordable Housing through the Planning System*** – November 2013
(Pre-consultation submission)
- Appendix 2 ***Housing in Settlements*** – Extract from Draft Strategic Planning Policy Statement

Introduction

NIFHA has prepared this paper as a contribution to the development of a new planning policy for affordable housing. The following wording has largely been drawn from existing Northern Ireland policy, expanded to include what is emerging as best practice in other planning systems.

The objective has been to draft wording that could be used as part of a Strategic Planning Policy Statement (SPPS). The focus is unashamedly on affordable housing but, to give the proposal context, draft policy on for all forms of housing is provided.

The approach has been to emphasise the need to make provision for all forms of affordable housing, including social housing. In the past policy has been directed largely towards social housing. The aim in this wording is to continue to give priority to that sector but to recognise that a broader range of housing is required to meet the needs of all in the community.

Housing need

- Local authorities must have a clear understanding of the local housing market and should plan to meet the objectively assessed needs for all types of housing.
- Local authorities should identify separately the need for social housing from other forms of affordable housing and should, where appropriate, give priority to securing social housing as part of the development plan and development management process.
- Local authorities must plan to meet any existing need for all forms of affordable housing as soon as practicable.

Development plans

- Local authorities should aim to increase the supply of housing and to bolster the long-term stability of the housing market.¹ In doing so local planning authorities should:
 - use the evidence base to identify housing sites to meet the requirements for individual settlements for inclusion in the development plan taking account of local circumstances, prioritising the re-use of previously developed land and buildings, underdeveloped and undeveloped land within the existing urban area²

¹ Facing the Future: Housing Strategy for Northern Ireland - Consultation on Northern Ireland Housing Strategy 2012-2017 pages 4 and 5

² Planning Policy Statement 12 ("PPS 12) paragraph 34

- use their evidence base to ensure that housing allocations in development plans meet the identified needs for all forms of affordable housing by zoning land or by indicating through key site requirements where a proportion will be required for social housing or for other forms of affordable housing³
 - set policies which promote an increase in the density of housing development in town and city centres and other locations which benefit from high accessibility to public transport facilities and where it is appropriate in relation to the scale and design of the settlement;⁴
 - encourage the recycling of land and buildings for urban housing development, including as part of mixed used schemes⁵
- The delivery of new homes may be best delivered through large scale development such as new urban villages and sustainable urban extensions. Local authorities should explore these options as part of the development plan process
 - Policies should be drafted to encourage all forms of affordable housing, and in particular social housing, on sites in rural areas that might not otherwise be considered for development if there is an identified need for affordable housing in the local area

Quality housing

- To ensure high quality housing stock, greater community cohesion, and to widen accessibility to home ownership local planning authorities should:
 - plan for a sufficient range of housing that offers diversity, affordability and accessibility within a balanced market;
 - promote measures which improve the minimum standards for all housing stock⁶
 - use design to encourage a greater sense of personal responsibility by owners of properties for their ongoing improvements and upkeep⁷
- Planning policies and decision should aim to ensure that all new developments
 - demonstrate a high quality of design, layout and landscaping⁸
 - promote sustainable patterns of living, working and travelling;
 - create attractive places in which people are happy to live, work and take their leisure⁹

³ PPS 12 paragraph 104

⁴ PPS 12 Planning Control Principle 1 - Increased Density without Town Cramming

⁵ PPS 12: Planning Control Principle 3 - Sustainable Forms of Development

⁶ Facing the Future: Housing Strategy for Northern Ireland - Consultation on Northern Ireland Housing Strategy 2012-2017 page 17

⁷ Facing the Future: Housing Strategy for Northern Ireland - Consultation on Northern Ireland Housing Strategy 2012-2017 page 18

⁸ PPS 12 Planning Control Principle 2 - Good Design

⁹ Planning Policy Statement 12 paragraph 87 (the second and third bullet points)

- are socially connected so as to encourage and support positive engagement between people in communities to create a greater sense of participation, responsibility and shared purpose¹⁰
- Design policies in plans should ensure that, as far as possible, the all forms of housing are designed so that the differences between different tenures of housing are minimal
- Local authorities should use their development plan policies to set the key requirements and standards for all forms of affordable housing so that the types, mix, size and quality of affordable housing that is required is clear to the development industry

Delivering Housing

- In locations where housing need is identified, planning permission for housing proposals should only be granted where provision is made for a suitable mix of housing types, sizes and tenures to meet, as far as practicable, the range of market and social needs identified in that area¹¹
- The Government attaches great importance to the delivery of all forms of affordable housing by developers as an integral element of larger housing developments¹².
- In areas where there is an identified need for affordable housing and subject to viability:
 - on all sites of more than 10 housing units, local planning authorities should require either
 - a minimum on-site provision of 25% affordable housing; or
 - where required by the circumstances of the site, a mix of on and off-site provision of a level of affordable housing that together secures a minimum of 25% affordable housing between the on and off-site provision;
 - on all other sites and, in exceptional cases on larger sites where there is a robust justification for doing so, secure financial contributions to make off site provision in lieu of on-site provision;¹³
- Conditions and planning agreements should be used to secure a proportion of affordable housing in new development.¹⁴

¹⁰ Urban Regeneration and Community Development Group - Department for Social Development (July 2013), page 4

¹¹ PPS Policy HS2 - Social Housing

¹² PPS12 Planning Control Principle 4 (note: this refers to "where a need is identified")

¹³ National Planning Policy Framework (NPPF) paragraph 50

¹⁴ PPS 12 paragraph 104 (note: this refers to "where a need has been identified")

- Affordable housing can be delivered effectively on sites in rural areas on sites that would not otherwise be considered for development if:
 - there is an identified need for affordable housing in the immediate area
 - high quality accommodation can be provided
 - the site is accessible
 - an agreement is entered into requiring the site to remain available for affordable housing over the long term

- Local planning authorities should work collaboratively with the Government and the developers to encourage innovative affordable housing delivery vehicles and should consider earmarking appropriate sites for development by these vehicles¹⁵

- Local planning authorities should support and maintain pathways into other forms of affordable home ownership for social housing tenants¹⁶

Cohesive and engaged communities

- The planning system can play an important role in supporting the development of networks, partnerships and participation within and between communities.¹⁷ Local authorities should seek to ensure that the whole community are at the heart of shaping the development and regeneration of their own areas by being aware of the opportunity to engage and by being actively encouraged to do so.

- Planning policies and decisions should:
 - support housing developments that strengthen the balance of urban communities in terms of their tenure, income, religious and social mix¹⁸;
 - seek to build a more united and shared society¹⁹; and
 - encourage the creation of more balanced communities and greater community cohesion.²⁰

¹⁵ Facing the Future: Housing Strategy for Northern Ireland - Consultation on Northern Ireland Housing Strategy 2012-2017 page 8 (refers to developing further innovation of new social housing and making public funding work harder to increase supply)

¹⁶ Facing the Future: Housing Strategy for Northern Ireland - Consultation on Northern Ireland Housing Strategy 2012-2017 page 15

¹⁷ Urban Regeneration and Community Development Group - Department for Social Development (July 2013) - part of the key actions in the delivery of Policy Objective 3, page 16

¹⁸ Urban Regeneration and Community Development Group - Department for Social Development (July 2013) - part of the key actions in the delivery of Policy Objective 3, page 16

¹⁹ Urban Regeneration and Community Development Group - Department for Social Development (July 2013) - page 40

²⁰ PPS 12 paragraph 38

Glossary

Affordable housing: Comprises the social rented sector, housing benefit funded private rented and that part of the low cost owner occupation market which can be purchased utilising 30% or less of gross household income.²¹ Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.²²

Density measures the number of dwellings per hectare

Social housing: Housing provided by registered Social Landlords for rent. Such housing allocated by reference to an approved (Department for Social Development/Northern Ireland Housing Executive) Common Waiting List and Housing Selection Scheme.²³ It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the Department for Social Development.²⁴

²¹ Regional Development Strategy 2035

²² NPPF page 50

²³ PPS 12 paragraph 39

²⁴ Adapted from NPPF page 50

Housing in Settlements – Extract from Draft Strategic Planning Policy Statement

- 6.117** The planning system, in co-ordination with the broader public sector, private sector and key housing agencies, has a vital role in the delivery of good quality housing in appropriate locations. Housing is recognised in the RDS as making a vital contribution to the key policy objectives of promoting economic well-being and social progress. New housing development can also stimulate urban and rural renewal.
- 6.118** The policy objectives for housing in settlements are to underpin the regional guidelines in the RDS by;
- managing housing growth in response to changing housing need;
 - directing and managing future housing growth to achieve more sustainable patterns of residential development;
 - promoting a drive to provide more housing within existing urban areas;
 - encouraging an increase in the density of urban housing appropriate to the scale and design of the cities and towns of Northern Ireland;
 - encouraging the development of balanced local communities.

Local Development Plans

- 6.119** The LDP process is the main vehicle for assessing future housing land requirements and managing housing growth to achieve sustainable patterns of residential development, as well as fulfilling other objectives. In this regard, the SPPS sets out guidance for plan preparation under 3 inter-related elements, as follows:
- processes for allocating housing land;
 - measures to be contained in LDPs;
 - implementing, monitoring and reviewing LDPs.

The Processes for Allocating Housing Land

- 6.120** Housing allocations in LDPs should be informed by:
- **Application of RDS Housing Growth Indicators (HGIs)** – as a basis for allocating housing distribution across the plan area;
 - Use of the RDS housing evaluation framework which takes account of the varying capacities of settlements;
 - **Allowance for existing housing commitments** – Councils should take account of dwellings already constructed, approvals not yet commenced and residential development proposals likely to be approved.
 - **Urban capacity studies** – Councils should assess the potential for future housing growth within the urban footprint and the capacity for different types and densities of housing. The urban capacity study should take account of housing development opportunities arising from previously developed land, infill sites, conversion of existing buildings, and possible changes of land use. Consideration needs to be given to the type of housing and density appropriate to each site in order to assess the number of housing units likely to be generated. Urban capacity studies should also include an allowance for “windfall” housing arising from previously developed land within the urban footprint over the course of the plan period. The urban capacity study should be published as a technical supplement to the draft plan.

Application of a sequential approach and identification of suitable sites

Step 1

Use previously developed and undeveloped land within the urban footprint, informed by urban capacity studies

Step 2

Extensions to cities and towns

Step 3

Exceptional major expansion of a village or small rural settlement

Step 4

New settlements

- **Housing Needs Assessment** - to provide an evidence base for the allocation of land to cater for special housing needs such as affordable housing, social housing, supported housing and travellers accommodation. The HNA will influence how LDPs facilitate a reasonable mix and balance of housing tenures and types.
- Allowance for Windfall housing – Sites that are not presently zoned for housing but which may become available during the preparation of or following adoption of a LDP.
- Transport Assessments – where appropriate transport assessments should be carried out when considering certain sites for residential use to achieve increased integration with public transport and other alternatives to the private car

Measures to be contained in Development Plans

6.121 LDPs should;

- set out the overall housing provision for each settlement over the plan period;
- set development limits for all identified settlements;
- zone sites for housing in larger settlements to meet the range of identified need indicate in small settlements areas where it is anticipated that most new housing will be located through the use of Housing Policy Areas (HPAs);
- provide for a managed release of housing land, in line with the RDS 'plan, monitor and manage' approach;
- identify sites or areas within settlements where the site (or part thereof) is required to meet one or more category of need and clearly state the proportion required;
- identify settlements where the HNA has found there to be an affordability pressure – (See Affordable Housing below),
- zone land or include policy, as appropriate, to reflect the local need resulting from the demand for second homes;
- where justified, specify those sites or areas where the development of certain house types or a mix of house types will be required
- set density levels for housing sites appropriate to the location of the site and the character of the surrounding area;
- identify areas within town centres where existing residential development will be protected;
- set requirements for the housing elements of sites identified for a mix of land-uses;
- include, where appropriate, specific policies to protect the distinctive nature and character of settlements;

- identify opportunity sites and specify the level of housing that is either required or is acceptable and any design requirements that should be applied;
- set out any additional plan policies or proposals (including key site requirements) to deliver quality residential environments. For example, plans may set out the main infrastructure requirements that developers will be expected to meet for zoned residential sites, local design requirements, and requirements for local neighbourhood facilities;
- identify sites requiring a development brief to be drawn up;
- include as supplementary planning guidance Concept Master Plans for major developments site; and
- contain specific policy for safeguarding the character of established residential areas.

Affordable Housing

6.122 DOE and DSD are currently working on bringing forward a new operational planning policy and delivery mechanism for securing developer contributions for affordable housing. These proposals are to be subject to a separate consultation exercise and will be reflected in the final SPPS.

Implementation, Monitoring and Review

6.123 Councils should undertake regular monitoring. tracking residential development through monitoring provides for example, valuable information on annual building rates, housing output relative to planned densities, and gives an indication of the validity of estimated windfall predictions. This information will allow a clear view of the overall progress in meeting the housing objectives of the plan and identifying issues likely to require intervention. For example, a need to release second phase sites where a sufficient land supply is not being maintained, or the need to release a site providing for a particular housing need. It will also be necessary to monitor and assess housing development in the rural area in order to ensure that total housing growth can be assessed against the plan's housing allocation.

Decision-taking

6.124 The decision-taking process has a particularly important role to play in supporting Government improve community cohesion facilitate urban and rural renaissance, and deliver sustainable patterns of residential development.

6.125 In decision-taking councils should adhere to the following planning principles;

- increased housing density without town cramming;
- good design;
- sustainable forms of development; and
- balanced communities.

Increased Housing Density without Town Cramming

6.126 Higher density residential development should be promoted in town and city centres and other locations which benefit from good accessibility to public transport facilities. It may also be appropriate for major housing or mixed-use development proposals. Within established residential areas it is imperative to ensure that the proposed density of new housing development, together with its form, scale, massing and layout will respect local

character and environmental quality as well as safeguarding the amenity of existing residents. In residential areas of distinctive townscape character an increase in density should only be allowed in exceptional circumstances.

Good Design

6.127 Good design should be the aim of everyone involved in housing development and will be encouraged everywhere through the development management process. All new housing developments should demonstrate a high quality of design, layout and landscaping.

Sustainable Forms of Development

6.128 Whilst the LDPs process will be the main mechanism for steering residential development to sustainable locations, the development management system also has a role to play in dealing with individual planning applications. In this regard a design concept should be sought from and agreed with the developer incorporating sustainable elements such as good linkage of housing with schools, community facilities and public transport; provision for cycling; adequate provision of open space and landscaping integrated with broader green and blue infrastructure systems; energy efficient design of housing units and use of sustainable drainage systems, where appropriate.

6.129 Within town centres, planning permission should be granted for residential use above shops and other business premises, where appropriate, as this can promote sustainability through utilising underused space, maintaining the fabric of buildings and contributing to the vitality and viability of town centres.

Balanced Communities

6.130 Achieving balanced communities and strengthening community cohesion is one of the major themes underpinning the RDS. The provision of good quality housing offering a variety of house types, sizes and tenures to meet different needs and development that provides opportunities for the community to share in local employment, shopping, leisure and social facilities is fundamental to the building of more balanced communities. The development management process has an important role in delivery in this context.

Key Documents

- Creating Places- achieving quality in residential developments incorporating guidance on layout and access (DOE 2010)
- The Housing Association (HA) Guide (DSD)

Consultation Question 18

Housing in Settlements

Do you consider that the SPPS has appropriately reflected and updated, in a strategic way, existing planning policy on Housing?

- If no, please explain how the SPPS can be improved.