



Trafford Core Strategy Examination

Main Matter 6

**Further comments in
response to Inspector's Note
5. Budget 2011 – Planning
for Growth**

Pioneer Property Services

On behalf of Emery
Planning Partnership

Date:
6th May, 2011



1.0 Introduction

1.1 Further to the hearing session in respect of Policy L2 (Affordable Housing) on 7th March 2011 the Government announced on 23rd March 2011 (within their Budget statement) an intention to introduce changes to planning policy. The relevant documents in which both the justification for changes to planning policy and its intended future direction were outlined as follows:

- “The Plan for Growth – HM Treasury and Department for Business Innovation and Skills”
- “Planning for Growth – DCLG”
- “Statement: Eric Pickles – Secretary of State at DCLG”
- “Statement: Greg Clark – Minister for Decentralisation at DCLG”
- “Statement: Grant Shapps – Minister for Housing at DCLG”

1.2 In recognition of the great significance attached by the Government to these policy changes the inspector issued a note that was circulated to all previous participants (Inspector’s Note 5) inviting further comment as to degree to which these changes may have a bearing on the soundness of the Core Strategy.

1.3 It is considered that the content of previous representations submitted in respect of Policy L2 (and the proposed reduction in the site size threshold at which affordable housing provision would be sought in ‘hot’ and ‘moderate’ market locations below the national indicative minimum of 15 dwellings) are validated by the change of policy emphasis contained within “Planning for Growth” and the budget statement “The Plan for Growth”. That is that the operation of the proposed policy would constrain, rather than encourage, growth and jobs, and prejudice especially Small and Medium Enterprises (SME’s) in the construction sector whose fortunes are critical in ensuring a sustainable economic recovery.

2.0 Planning for Growth

2.1 The statement of the Minister of State for Decentralisation instructs local planning authorities when considering whether to grant planning permission to:

“...support enterprise, and facilitate housing, economic and other forms of sustainable development.”

It is therefore evident that the policies within a Core Strategy should also be so constructed as to support this overarching objective. This is not so with regard to policy L2 and the proposed affordable housing threshold of 5 dwellings in ‘hot’ and ‘moderate’ market areas. The authors of the Council’s evidence base in the form of the ‘Trafford Economic Viability Study’ (“TEVS”) cast considerable doubt on whether a threshold of 5 dwellings was viable, and instead suggested that viability should be assessed on a scheme by scheme basis. Such an approach appears somewhat at odds with a requirement to ‘support enterprise’ and ‘facilitate housing’, involving instead the local planning authority in the micro-management of the development process.

2.2 The statement continues to outline relevant considerations that local planning authorities are expected to have regard to. These are considered in turn with regard to the proposed operation of policy L2 and the affordable housing threshold of 5 dwellings in ‘hot’ and ‘moderate’ market areas:

(i) consider fully the importance of national economic policies aimed at fostering economic growth and employment, given the need to ensure a return to robust growth after the recent recession;

Policy L2 would constrain development of smaller sites for housing, exclude SME’s from the residential development sector and consequently hinder, rather than foster economic growth.

(ii) take into account the need to maintain a flexible and responsive supply of land for key sectors, including housing;

Policy L2 would restrict the supply of smaller sites for housing and be unresponsive in ensuring an appropriate land supply.

(iii) considering the range of likely economic, environmental and social benefits of proposals; including long term or indirect benefits such as increased consumer choice, more viable communities and more robust local

economies (which may where relevant, include matters such as job creation and business productivity);

Policy L2 would inhibit consumer choice by precluding development of smaller sites by SME's, thereby creating a near monopoly position in terms of new housing supply dominated by national and regional scale developers on larger sites. It would therefore inhibit job creation and constrain sustainable economic recovery.

- (iv) *be sensitive to the fact that local economies are subject to change and so take a positive approach to development where new economic data suggest that prior assessments of needs are no longer up to date;*

Policy L2 should actively promote development of small sites by SME's to ensure job creation and economic growth precisely because the future trajectory of the local economy is uncertain and subject to change.

- (v) *ensure that they do not impose unnecessary burdens on development;*

Policy L2 would place a wholly unnecessary burden on development. The proposed threshold for affordable housing provision in 'hot' and 'moderate' housing market areas of 5 dwellings is not justified by the findings of the TEVS, whose authors suggested that viability would need to be tested on a site by site basis. Compliance with this process would represent a considerable burden for SME's.

Previous representations have commented on the exclusion of smaller developers from the Core Strategy process. Paragraph 2.15 of 'The Plan for Growth' states that:

"Understanding the burdens imposed on businesses is a critical role for local authorities and they should be mindful of the cumulative costs of their policies."

and continues:

“Through the NPPF, Government will also ensure that local authorities will not be able to adopt plans that block the delivery of required development by placing unsupportable burdens on developers.”

Whilst it is speculative to anticipate the content of the NPPF in advance of its publication, it is not inconceivable that a proposal to introduce an affordable housing threshold beneath the national indicative minimum of 15 dwellings, (whilst unsupported by robust evidence), would be considered to represent an ‘unsupportable burden’.

- 2.3 Paragraph 1.33 of ‘The Plan for Growth’ is unequivocal in stating the Government’s intentions to **‘minimise regulatory burdens’** of which reform of the planning system comprises but one component. It would therefore be entirely counter intuitive to suggest that the operation of the planning system itself should become more burdensome, and require developers to comply with unjustified regulatory processes. The requirement for sites of 5 dwellings or more in ‘hot’ and ‘moderate’ market locations to submit viability information to justify a reduction in affordable housing provision (when it is apparent that the evidence base in the form of the TEVS was uncertain as to whether it was viable to set a target beneath the national indicative minimum of 15 dwellings) would represent the imposition of an unjustified regulatory burden.
- 2.4 Consistent with previous representations it is therefore requested that the threshold for affordable housing provision in policy L2 for sites in ‘hot’ and ‘moderate’ market locations be brought in line with the national indicative minimum of 15 dwellings. It is considered that to do otherwise would contradict the objectives of ‘Planning for Growth’ which aim to prioritise growth, jobs and new housing delivery.

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