

Ministerial Interim Planning Policy
Statement 01/2006



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Housing



June 2006

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MINISTERIAL INTERIM PLANNING POLICY STATEMENT 01/2006

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This Ministerial Interim Planning Policy Statement (MIPPS) provides a revised Chapter 9 of *Planning Policy Wales* (Welsh Assembly Government, 2002) (PPW). The existing Chapter 9 of PPW is hereby cancelled.

Reference documents and **explanatory notes** are indicated in the text using superscript numbers and listed in a column in the right-hand margin (reference documents in red and explanatory notes in black). They provide information that should be read in conjunction with this document.

In particular, this MIPPS should be read in conjunction with the *PPW Companion Guide* (Welsh Assembly Government, 2006), **Technical Advice Note 1**, *Joint Housing Land Availability Studies* (Welsh Assembly Government, 2006) and **Technical Advice Note 2**, *Planning and Affordable Housing* (Welsh Assembly Government, 2006).

Cross-references are used to indicate where in PPW further or related guidance is set out.

CHAPTER 9: HOUSING

9.1 Objectives

9.1.1 The Assembly Government's vision for housing is for everyone in Wales to have the opportunity to live in good quality, affordable housing, to be able to choose where they live and decide whether buying or renting is best for them and their families.¹ The objectives are to provide:

- homes that are in good condition, in safe neighbourhoods and sustainable communities; and
- greater choice for people over the type of housing and the location they live in, recognising the needs of all, including those in need of affordable or special needs housing in both urban and rural areas.

The Assembly Government will seek to ensure that:

- previously developed land (see definition at Figure 2.1) is used in preference to greenfield sites;
- new housing and residential environments are well designed,^{2,3} environmentally sound (especially energy efficient) and make a significant contribution to promoting community regeneration and improving the quality of life; and that
- the overall result of new housing development in villages, towns or edge of settlement is a mix of affordable and market housing that retains and, where practical, enhances important landscape and wildlife features in the development.

9.1.2 Local planning authorities should promote sustainable residential environments, avoid large housing areas of monotonous character and make appropriate provision for affordable housing. Affordable housing for the purposes of the land use planning system is housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers. However, it is recognised that some schemes may provide for staircasing to full ownership and where this is the case there must be secure arrangements in place to ensure the recycling of capital receipts to provide replacement affordable housing. It includes social rented housing owned by local authorities and registered social landlords and intermediate housing where prices or rents

References

1 *Better Homes for People in Wales - A National Housing Strategy for Wales*, National Assembly for Wales, 2001

2 *Better Places to Live by Design: A Companion Guide to PPG3, DTLR*, 2001

3 *Technical Advice Note 12, Design*, Welsh Assembly Government, 2002

are above those of social rent but below market housing prices or rents. All other types of housing are referred to as “market housing”, that is private housing for sale or rent where the price is set in the open market and their occupation is not subject to control by the local planning authority. Local planning authorities should promote:

- mixed tenure communities;
- development that is easily accessible by public transport, cycling and walking; although in rural areas required development might not be able to achieve all accessibility criteria in all circumstances;
- mixed use development so communities have good access to employment, retail and other services;
- attractive landscapes around dwellings, with usable open space and regard for biodiversity, nature conservation and flood risk;
- greater emphasis on quality, good design and the creation of places to live that are safe and attractive;
- the most efficient use of land;
- well designed living environments, where appropriate at increased densities;
- construction of housing with low environmental impact that especially maximises energy efficiency and minimises the use of energy from fossil fuel sources, using renewable energy technology where appropriate^{4,5,6}; and
- ‘barrier free’ housing developments, for example built to Lifetime Homes standards.⁷

9.1.3 Local authorities should adopt a corporate approach, involving **housing and planning interests** in the public and private sectors and communities in preparing and co-ordinating development plans and local housing strategies. In preparing development plans it is important that the relevant local housing strategy and community strategy is given full consideration so that planning policies and decisions are compatible with the housing strategy objectives. Where the local planning authority is a National Park Authority there should be close liaison with the housing departments and committees of the local authorities of which the National Park is part.

References

4 MIPPS 01/2005, *Planning for Renewable Energy*, Welsh Assembly Government, 2005

5 Technical Advice Note 8, *Planning for Renewable Energy*, Welsh Assembly Government, 2005

6 Technical Advice Note 12, *Design*, Welsh Assembly Government, 2002

7 The ‘Lifetime Homes’ concept that is promoted by the Joseph Rowntree Foundation comprises 16 major standards that aim to provide homes which are flexible and can cater for people with a wide range of disabilities.

9.1.4 Local authorities must understand their whole housing system so that they can develop evidence based market and affordable housing policies in their local housing strategies and development plans. They should ensure that development plan policies are based on an up-to-date assessment of the full range of housing requirements across the plan area over the plan period. Local authorities' planning and housing functions must combine in partnership with local stakeholders, including private house builders, to produce **Local Housing Market Assessments (LHMAs)**⁸. LHMAs must include monitoring so that responses to changing housing requirements can be reflected in updated development plans and housing strategies.

9.2 Development Plans and new housing provision⁹

9.2.1 In planning the provision for new housing, local planning authorities must work in collaboration with housing authorities, registered social landlords, house builders, developers, land owners and the community¹⁰ and take account of the following:

- *People, Places, Futures - The Wales Spatial Plan*;¹¹
- *Statutory Code of Practice on Racial Equality in Housing - Wales*;¹²
- the Assembly Government's latest household projections;
- local housing strategies;
- community strategies;
- local housing requirements (needs and demands);¹³
- the needs of the local and national economy;
- social considerations (including unmet need);
- the capacity of an area in terms of social, environmental and cultural factors (including consideration of the Welsh language) to accommodate more housing;
- the environmental implications, including energy consumption, greenhouse gas emissions and flood risk;¹⁴ and
- the capacity of the existing or planned infrastructure.

9.2.2 The latest Assembly Government National and Sub-National Household Projections for Wales should form the starting point for **assessing housing requirements**. Within each region local planning authorities should work together

References

8 *Local Housing Market Assessment Guide*, Welsh Assembly Government, 2006 - consolidates the previous guidance on housing market and housing needs assessment into one document. This Guide replaces all previous guidance and sets out the current approach to assessing housing demand and need in line with TANs 1 and 2

9 *Local Development Plans Manual*, Welsh Assembly Government, 2006

10 *Technical Advice Note 2, Planning and Affordable Housing*, Welsh Assembly Government, 2006

11 *People, Places, Futures - The Wales Spatial Plan*, Welsh Assembly Government, 2004

12 *Statutory Code of Practice on Racial Equality in Housing - Wales*, Commission for Racial Equality, 2006 (forthcoming)

13 *Local Housing Market Assessment Guide*, Welsh Assembly Government, 2006

14 *Technical Advice Note 15, Development and Flood Risk*, Welsh Assembly Government, 2004

collaboratively, and with appropriate stakeholders (for example House Builders and Utility Companies) as necessary, to apportion to each authority the Assembly Government household projections, or agree their own regional policy-based projections. The Assembly Government encourages the development of this process wherever possible under the auspices of the Wales Spatial Plan regional groups. Where local planning authorities seek to deviate from the Assembly Government projections, by using their own policy-based projections, they must justify the reasons for so doing and explain the rationale behind their own preferred projections, showing how this requirement has been derived in terms of the issues listed above. In estimating housing requirements local planning authorities should integrate the provisions of their local housing strategies with the relevant provisions of their development plans. Effective monitoring of these issues is essential in order to ensure that there is an adequate and continuing supply of land and buildings for housing and to enable their managed release.

9.2.3 Local planning authorities must **ensure that sufficient land is genuinely available or will become available to provide a 5-year supply of land for housing** judged against the general objectives and the scale and location of development provided for in the development plan. This means that sites must be free, or readily freed, from planning, physical and ownership constraints, and capable of being developed economically, creating and supporting sustainable communities where people want to live, and that there must be sites suitable for the full range of housing types. For land to be regarded as genuinely available it must be a site included in a Joint Housing Land Availability Study.¹⁵ The Assembly Government will monitor development plans and their implementation to ensure that sufficient housing land is brought forward for development in each local planning authority and that economic development and related job opportunities are not unreasonably constrained.

9.2.4 Local planning authorities in partnership with the community, including the private sector, must develop policies to meet the challenges and particular circumstances evident in their areas in specific locations. If these policies need to diverge from national policies in order to meet specific **local housing needs for market housing** (which normally would have no occupancy restriction), local planning authorities will need to carefully justify the variation with robust evidence they deem appropriate, which might be in terms of land supply, environmental or social impacts in combination. This evidence would include

References

15 Technical Advice Note 1, *Joint Housing Land Availability Studies*, Welsh Assembly Government, 2006

local studies such as those deriving from the community strategy or those forming part of the evidence-base for the development plan. The Sustainability Appraisal, including the Strategic Environmental Assessment, would be part of the evidence base providing justification for a departure from national policy.¹⁶

9.2.5 In producing their development plans, local planning authorities should **devise a settlement strategy** which establishes housing policies in line with their local housing strategy and a spatial pattern of housing development balancing social, economic and environmental needs. The settlement strategy will be informed by a sustainability appraisal and should be fully justified. It should be developed and integrated as part of an overarching strategy in the development plan. Local planning authorities and house-builders are encouraged to work together constructively to identify housing land in the most appropriate locations for development.¹⁷

9.2.6 Local planning authorities should **address the scope and potential for rehabilitation, conversion, clearance and redevelopment** when considering suitable sites for housing development. Maximising the use of appropriate previously developed land for housing development can assist regeneration and at the same time relieve pressure for development on greenfield sites. In particular, local authorities should consider the contribution that reclaimable or reclaimed urban land and disused or underused buildings can make to the overall provision of land for housing. Sites no longer likely to be needed for office or industrial purposes may also be appropriate locations for housing.

9.2.7 Any proposals for **new settlements** should be promoted through, and fully justified in, the development plan. Plans should state clearly the contribution which developers will be expected to make towards provision of infrastructure, community facilities and affordable housing. New settlements on greenfield sites are unlikely to be appropriate in Wales, and should only be proposed where such development would offer significant environmental, social and economic advantages over the further expansion or regeneration of existing settlements.

9.2.8 In identifying sites to be allocated for housing in development plans, local planning authorities should follow a **search sequence**, starting with the re-use of previously developed land and buildings within settlements, then settlement extensions

References

16 Guide to the examination of Local Development Plans, Planning Inspectorate Wales, 2006

17 Working Together: A Guide for Planners and Housing Providers, RTPI, 2001

and then new development around settlements with good public transport links.

9.2.9 Local planning authorities should consider the following **criteria in deciding which sites to allocate for housing** in their development plans:

- the availability of previously developed sites and empty or under-used buildings and their suitability for housing use;
- the location and accessibility of potential development sites to jobs, shops and services by modes other than the car, and the potential for improving such accessibility;
- the capacity of existing and potential infrastructure, including public transport, water and sewerage, other utilities and social infrastructure (such as schools and hospitals) to absorb further development and the cost of adding further infrastructure;
- the ability to build sustainable communities to support new physical and social infrastructure, including consideration of the effect on the Welsh language (see 2.10.1 to 2.10.3), and to provide sufficient demand to sustain appropriate local services and facilities;
- the physical and environmental constraints on development of land, including, for example, the level of contamination, stability and flood risk,¹⁸ taking into account that such risk may increase as a result of climate change, and the location of fragile habitats and species, archaeological and historic sites and landscapes; and
- the compatibility of housing with neighbouring established land uses which might be adversely affected by encroaching residential development.

9.2.10 In determining the order in which sites identified in accordance with paragraph 9.2.8 above should be allocated, the presumption will be that previously developed sites or buildings for re-use or conversion should be allocated before greenfield sites. The exception to this principle will be where previously developed sites perform so poorly in relation to the criteria listed in paragraph 9.2.9 as to preclude their use for housing (within the relevant plan period or phase) before a particular greenfield site.

References

18 Technical Advice Note 15, *Development and Flood Risk*, Welsh Assembly Government, 2004

9.2.11 Policies which seek to make maximum use of vacant urban land for housing will need to distinguish between sites which need to be retained for recreation, amenity or nature conservation purposes, and areas which are genuinely suitable for housing development. Where substantial new housing is to be permitted, plans should include policies to make clear that developers will be expected to provide open space which is reasonably related in scale and location to the development.

9.2.12 Policies will be needed to cover the physical scale and design of new buildings, access, density, and off-street parking, taking account of particular residential areas and of changing needs. Strong pressure for development may give rise to inappropriately high densities if not carefully controlled. Higher densities should be encouraged on easily accessible sites, where appropriate, but these will need to be carefully designed to ensure a high quality environment. In particular, local planning authorities should adopt a flexible approach to car parking standards.

9.2.13 Sensitive design and good landscaping are particularly important if new buildings are to be fitted successfully into small vacant sites in established residential areas. 'Tandem' development, consisting of one house immediately behind another and sharing the same access, may cause difficulties of access to the house at the back and disturbance and lack of privacy to the house in front and should be avoided.

9.2.14 A community's need for **affordable housing**¹⁹ is a material planning consideration which must be taken into account in formulating development plan policies. Local Housing Market Assessments provide the evidence base supporting policies to deliver affordable housing through the land use planning system. Affordable housing is also an essential element in contributing to community regeneration and strengthening social inclusion. It is desirable in planning terms that new housing development in both rural and urban areas should incorporate a reasonable mix and balance of house types and size to cater for a range of housing needs and contribute to the development of sustainable communities. For affordable housing it is important that authorities have an appreciation of the demand for different dwelling sizes and types of housing (i.e. intermediate and social rented) in relation to supply, so that they are well informed in negotiating the required appropriate mix of dwellings for new developments. Applicants for planning permission should demonstrate and justify how they have arrived at a particular mix of housing having regard to development plan policies. If having had regard to all material considerations,

References

19 Technical Advice Note 2, *Planning and Affordable Housing*, Welsh Assembly Government, 2006

the local planning authority considers that the proposal for a site does not contribute sufficiently towards the objective of creating mixed communities, then the authority will need to negotiate a revision of the mix of housing or may refuse the application.

9.2.15 Where local planning authorities have demonstrated the need for affordable housing, by undertaking a local housing market assessment as recommended in the Assembly Government's guidance²⁰ they should include policies for affordable housing in their development plan for the areas where need has been identified. Development plans must include an **authority-wide target for affordable housing** (expressed as numbers of homes) based on the Local Housing Market Assessment and identify the expected contributions that the policy approaches identified in the development plan (for example, site thresholds, site specific targets, and rural exception sites) will make to meeting this target. The target should take account of the anticipated levels of finance available for affordable housing, including public subsidy, and the level of developer contribution that can be realistically sought.

9.2.16 In their development plan local planning authorities should include either **site thresholds** or a combination of thresholds and **site-specific targets**. Local planning authorities should set site capacity thresholds for residential developments above which a proportion of affordable housing will be sought from developers. This applies both to sites specifically allocated in the development plan and unallocated sites. Site specific targets will comprise an indicative affordable housing target for each residential site or mixed-use site which includes a residential component.

9.2.17 Local planning authorities may identify **sites for up to 100% affordable housing** based on criteria reflecting local circumstances set out in the development plan in the context of developing sustainable communities. Such sites are likely to be small in number in relation to the total number of sites available in a local planning authority area and small in scale.

9.2.18 Policies must indicate that an authority will seek to negotiate with developers where it is intended to include an element of affordable housing in proposed developments. Policies should also state what the authority would regard as affordable housing and what arrangements it would expect to ensure that such housing remains reserved for those who need it.

References

20 Local Housing Market Assessment Guide - Welsh Assembly Government, 2006

9.2.19 Residential mobile homes can make a contribution to overall housing provision and have a part to play in providing low cost accommodation for small households. Local planning authorities should consult the park homes industry about the provision of appropriate sites.

9.2.20 Local authorities are required to assess **the accommodation needs of Gypsy families**.²¹ It is therefore important that local planning authorities have policies for the provision of Gypsy sites in their development plans. In drawing up policies local planning authorities should consult with providers of social housing, representatives of Gypsies and Travellers and landowners in areas likely to be appropriate for Gypsy sites in accordance with their Community Involvement Scheme. Appendix F of the *Local Housing Market Assessment Guide* (Welsh Assembly Government, 2006) provides advice about how such assessments should be undertaken.

9.2.21 In planning for **housing in rural areas** it is important to recognise that development in the countryside should embody sustainability principles, benefiting the rural economy and local communities while maintaining and enhancing the environment. There should be a choice of housing, recognising the housing needs of all, including those in need of affordable or special needs provision. In order to safeguard the character and appearance of the countryside, to reduce the need to travel by car and to economise on the provision of services, new houses in the countryside away from existing settlements recognised in development plans, or from other areas allocated for development, must be strictly controlled. Many parts of the countryside have isolated groups of dwellings. Sensitive filling in of small gaps, or minor extensions to such groups, may be acceptable, but much depends upon the character of the surroundings, the pattern of development in the area and the accessibility to main towns and villages.

9.2.22 The special provision of **rural exception sites** must be considered to help ensure the viability of the local community. Local planning authorities should refer to their up to date housing assessment or survey at the ward or rural settlement level, to support policies. Policies should make clear that the release of small housing sites, within or adjoining existing rural settlements, for the provision of affordable housing to meet local needs, which would not otherwise be allocated in the development plan, is an exception to the policies for general housing provision and must be fully justified, setting out the type of need and

References

21 Housing Act 2004, sections 225 and 226

the kind of development falling within the terms of the policy. The affordable housing provided on such sites should meet the needs of local people in perpetuity. Sites must meet all the other criteria against which a housing development would be judged. Rural exception sites are not appropriate for market housing.

9.2.23 Development plans should:

- quantify the housing requirement (both market and affordable housing);
- set an affordable housing target;
- set out a settlement strategy;
- allocate housing land on the basis of the search sequence specified in 9.2.8 and the criteria in 9.2.9;
- include clear policy criteria against which applications for development of unallocated sites will be considered;
- specify the circumstances in which previously developed sites would be deemed to perform so poorly that their use would not be favoured before that of a (particular) greenfield site;
- include clear development control policies to guide the determination of applications, including guidance on design, access, density, off-street parking and open space provision for particular areas as appropriate;
- specify mechanisms to be used to monitor the take up of housing land;
- include policies for affordable housing in areas where need has been identified, including any rural areas where exception sites will be considered;
- include a policy to strictly control new housing in the countryside away from existing settlements or other areas allocated for development; and
- include policies to indicate where developer contributions will be expected toward infrastructure, community facilities and affordable housing.

9.3 Development control and housing

9.3.1 New housing developments should be well integrated with and connected to the existing pattern of settlements. The expansion of towns and villages should avoid creating ribbon development, coalescence of settlements or a fragmented

References

development pattern. Where housing development is on a significant scale, or where a new settlement or urban village is proposed, it should be integrated with existing or new industrial, commercial and retail development and with community facilities.

9.3.2 Sensitive **infilling** of small gaps within small groups of houses, or minor extensions to groups, may be acceptable, though much will depend upon the character of the surroundings and the number of such groups in the area. Significant incremental expansion of housing in rural settlements and small towns should be avoided where this is likely to result in unacceptable expansion of travel demand to urban centres and where travel needs are unlikely to be well served by public transport. Residential development in the vicinity of existing industrial uses should be restricted if the presence of houses is likely to lead residents to try to curtail the industrial use.

9.3.3 Insensitive infilling or the cumulative effects of development or redevelopment, including conversion and adaptation, should not be allowed to damage an area's character and amenity. This includes any such impact on neighbouring dwellings, such as serious loss of privacy or overshadowing.

9.3.4 In determining applications for new housing, local planning authorities should ensure that the proposed development does not damage an area's character and amenity. Increases in density help to conserve land resources, and good design can overcome adverse effects, but where high densities are proposed the amenity of the scheme and surrounding property should be carefully considered. High quality design and landscaping standards are particularly important to enable high density developments to fit into existing residential areas.

9.3.5 Where development plan policies make clear that an element of affordable housing, or other developer contributions, are required on specific sites, this will be a material consideration in determining relevant applications.

9.3.6 New house building and other new development in the open countryside, away from established settlements, should be strictly controlled. The fact that a single house on a particular site would be unobtrusive is not, by itself, a good argument in favour of permission; such permissions could be granted too often, to the overall detriment of the character of an area. Isolated new houses in the open countryside require special

References

justification, for example, where they are essential to enable farm or forestry workers to live at or close to their place of work in the absence of nearby accommodation. Agricultural needs cannot justify the provision of new dwellings as retirement homes for farmers (see 7.3.3, 7.6.8 to 7.6.11).

9.3.7 The following, in particular, should be considered when determining planning applications for **agricultural and forestry dwellings**²²:

- a functional test to establish whether, for the proper functioning of the enterprise (in terms of both its current and likely future requirements), one or more workers needs to be readily available at most times; and
- a financial test to establish that the farming enterprise is economically viable, since if it is not, new permanent accommodation cannot be justified on agricultural grounds, and to provide evidence of the size of dwelling which the unit can sustain.

9.3.8 It is important to establish that stated intentions to engage in agriculture or forestry are genuine, are reasonably likely to materialise and are capable of being sustained for a reasonable period. If it is considered that a new dwelling will be essential to support a new farming activity, whether on a newly-created agricultural unit or an established one, but the case is not completely proven, the dwelling should normally for the first three years be a caravan, or a wooden structure which can be easily dismantled, or other temporary accommodation. Temporary agricultural dwellings should satisfy normal planning requirements, for example on site and access, and will have to be removed at the end of the period for which the permission was granted. Local planning authorities should not grant temporary planning permissions in locations where they would not permit a permanent dwelling.

9.3.9 Where the need to provide accommodation to enable farm or forestry workers to live at or near their place of work has been accepted as justifying isolated residential development in the open countryside, it will be necessary to ensure that the dwellings are kept available for this need. For this reason planning permission should be granted subject to an occupancy condition.

9.3.10 Applications for agriculture and forestry dwellings will only be permitted if special justification is given to meet the functional and financial tests, and an occupancy condition applied.

References

22 Technical Advice Note (Wales) 6, *Agricultural and Rural Development*, The National Assembly for Wales, 2000