

## **West Midlands Regional Assembly – Regional Planning Body**

This report has been prepared on behalf of the West Midlands Regional Assembly, the Regional Planning Body, as technical advice to inform the Regional Spatial Strategy Revision process. It is one of a suite of technical reports commissioned to inform the development of spatial policy as part of Phase Two of the Revision of the West Midlands Regional Spatial Strategy.

Every effort has been made to verify and check the contents of this report including all figures and tables. However the West Midlands Regional Assembly can not accept any responsibility for errors or inaccuracies.

Further information and details of the West Midlands Regional Strategy and the Revision process can be found on our web site [www.wmra.gov.uk](http://www.wmra.gov.uk)

# **RSS Phasing Study Final Report**

**West Midlands Regional Assembly**

**June 2005**

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# Executive Summary

GVA Grimley were commissioned by the West Midlands Regional Assembly to undertake this study of the potential development of housing phasing policy which will help inform the partial review of RSS 11 and its future monitoring and implementation.

The key objectives of the brief were to:

- Review the Government's policy in relation to phasing and the managed release of housing sites and to undertake a comprehensive study of the current use of phasing policies in UDPs and Local Plans in the West Midlands region;
- Suggest options and make recommendations as to the future use of phasing policies in controlling the supply of housing land across the West Midlands region;
- Make suggestions as to the role of the Regional Planning body in providing advice on phasing to local planning authorities; and
- Provide advice to the Regional Planning body on phasing policies in RSS 11 in preparation for the partial review.

This report pulls together the key findings from this work which has included the completion of a detailed questionnaire (see Appendix A) which was circulated to all 34 Local Planning Authorities (LPAs) within the West Midlands region. The report also includes sections that review current, national, regional and local phasing policy and best practice in light of the objectives of this Study. The questionnaire incorporated a set of questions agreed with the client focussed on the use of phasing policies in the delivery of housing land within the West Midlands.

All of the Study questionnaires were returned from the 34 LPAs that were engaged as part of this Study. This level of response has enabled a thorough analysis to be undertaken that is representative of the regions diverse views on housing phasing policy. In addition this 100% return rate gives this work legitimacy. The benefit of this needs to be maximised by the WMRA and the LPAs for future monitoring and implementation of RSS and LDFs and for the partial review process.

The key findings of this Study, which draw together the analysis of Sections 2, 3 and 4 are provided in Section 5 of the report. These cover the following core areas and are summarised below;

## **What do we mean by Phasing – Policy v's Practice?**

- Our overall conclusion is that phasing policy means something more than housing supply management (although this is an outcome of the process), it implies explicit consideration of the merits of different types of housing sites because of their location or because of their nature. This suggests a geographical bias rather than an approach based on housing numbers alone.

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**Implications from Policy Guidance.**

- An important issue that emerges from the policy review is the lack of recent guidance on phasing. Planning to Deliver was produced in 2001 and little has been written to develop this since. Our review of recent PPS's provides only limited references to phasing, but much more emphasis on managing housing supply; and
- Looking wider there are two possibly contradictory themes emerging in government policy which will influence phasing i.e. Sustainable Development and Housing Growth.

**Implications from Best Practice.**

- Our assessment of best practice revealed that very few authorities have to date taken the concepts of phasing policy in Planning to Deliver through to practice. Where this has happened it appears to be a result of coincidence rather than a positive choice to utilise the guidance. A lot of what emerged could be described as good housing supply management, but not positive phasing.

**Implications from the Survey Results**

- The use of phasing policies in the West Midlands is certainly not comprehensive and when this is examined further most of what is called phasing policy is more phasing of overall supply than more explicit phasing of different locations. In addition, prioritising previously developed sites simply following PPG3 is another key driver;
- Many of the MUA authorities rely upon windfalls as a major element of housing supply in such cases it could be argued phasing policy becomes difficult to adhere to;
- In terms of the effectiveness of phasing policy, whilst no clear pattern emerges it would appear that the adequacy of phasing policy is more of a challenge in remote areas with less pressure;
- As to the future direction of phasing policy. Local authorities acknowledge that phasing is likely to become a stronger feature through the LDF process. Multi local authority working does not feature as a way forward from the survey;
- The emergence of housing pathfinders does appear to be giving considerations to geographical phasing within LPA areas; and
- In terms of what the RPB should provide, there was a clear preference for a strategic lead in terms of housing supply numbers, providing support/guidance on phasing previously developed land and sharing best practice. This reflects the traditional role of a strategic planning authority. Few authorities supported a more interventionist approach defining phasing policies at a say sub-regional level. Geographically it is the near shire ('Closer In Rural' LPAs) authorities that feel the most need for guidance from the region.

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## Recommendations

The report sets out a series of recommendations to help refine existing policy our thoughts from the research are:

### Future Policy Directions

- Housing trajectories and the annual monitoring report are relatively new tools which can assist in developing phasing policy. Using these and a criteria based approach to site ranking is a means of phasing housing supply; and
- It is important to recognise that sustainable development patterns can be considered at local, sub regional and regional levels. It is essential to ensure that the regional perspective is given due to weight.

### Relevance of Phasing Policy across the Region

- Phasing policies are relevant to the region as a whole but they are most important in major urban areas, 'closer in rural' authorities experiencing housing pressure and sub regional foci. In the MUAs phasing policies can be developed to support housing market renewal pathfinders to control development on their periphery which might undermine them.
- The key components of phasing policy at the local level should therefore be:
  - Housing trajectory to monitor and project supply on an annual basis;
  - Allocations based upon a criteria approach with ranking on a sustainability basis; and
  - LDD policy/SDD which links 1 and 2 as a means of phasing housing supply and which enables windfalls to be taken into account. This would include a clear linkage between performance in terms of the delivery of allocated sites, and windfalls and the need to bring forward additional sites.

### The Role of the RPB

To effectively manage regional housing supply in accordance with the RSS requires a more sophisticated approach to housing allocations. The tools to do this are available such as housing trajectories which when linked to local phasing policies provide an effective means of phasing housing supply. This would be of benefit to both the region and individual authorities in linking on a continual basis RSS housing allocations to LDDs and avoiding the need for continual reviews of LDDs and potential conflict that could surround continual debates about conformity. To achieve this there are three areas of work:

- Development of a good practice guide to local authorities on how to develop phasing policies providing help and suggesting good practice;
- The development of the annual monitoring approach which links to the evolution of the plan monitor and manage report at a regional level to a Regional Housing Monitoring Approach as set out in PPS12; and

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- Firming up the conformity process for LDDs but particularly for planning applications so that significant schemes both greenfield and brownfield are considered.

### **Revisions to Policy CF6**

Our suggestions are that in revising Policy CF6 the RPB should:

- Provide a clear statement that LPA's should actively managed housing supply having due regard to housing allocations (set out elsewhere) and regional sustainable development patterns;
- That LPAs should utilise housing trajectories and annual monitoring reports as required by PPS12 as means of managing housing supply by the appropriate use of phasing policies which should include transparent criteria for assessing the merits of individual sites (including windfalls); and
- As is currently the case specific reference should be made to taking into account impacts of housing land provision on adjoining districts. However, this should be reinforced by a more explicit statement that choices about sustainable development at an LPA level should have explicit regard to the Regional Spatial Strategy and when in doubt it is the RSS that has supremacy.

The explanatory text should then set out advice that active management of housing supply is of greatest importance in those authorities within the north, central and south housing market areas together with any sub regional foci lying outside these. To this could be added that the RPB will look closely at these authorities and their policies to actively manage/phase housing supply.

It should then cross reference to guidance on the use of housing trajectories in PPS12 and elsewhere and the way in which this should be used to manage housing supply and trigger reviews of LDDs. In addition, we would suggest that reference is made to a good practice guide to produced by the RPB on the managing and phasing of housing provision.

The references to monitoring should be broadened to include references to the annual monitoring reports of RSS include that the RPB will take a close interest in LPA housing trajectories and annual monitoring reports to ensure proper management of housing supply.

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# 1. Introduction

- 1.1 GVA Grimley were commissioned by the West Midlands Regional Assembly (WMRA) to undertake this Phasing Study which will help inform the partial review of the Regional Spatial Strategy (RSS) 11 and its future monitoring and implementation.
- 1.2 The key objectives of the brief were to:
- Review the Government's policy in relation to phasing and the managed release of housing sites and to undertake a comprehensive study of the current use of phasing policies in UDPs and Local Plans in the West Midlands region;
  - Suggest options and make recommendations as to the future use of phasing policies in controlling the supply of housing land across the West Midlands region;
  - Make suggestions as to the role of the Regional Planning body in providing advice on phasing to local planning authorities; and
  - Provide advice to the Regional Planning body on phasing policies in RSS 11 in preparation for the partial review.
- 1.3 The Regional Planning Body (RPB) required the information in order to help the effective delivery of the RSS housing policies, in particular CF3 and CF4 in delivering a steady stream of housing land to meet the Table 1 annual housing rates and the RSS previously developed land (PDL) targets. The Study will also prove useful for the development of policies in the Local Planning Authorities (LPAs) forthcoming Local Development Framework's (LDFs).
- 1.4 This report pulls together the key findings from this work which has included the completion of a detailed questionnaire (see Appendix A) which was circulated to all 34 Local Planning Authorities (LPAs) within the West Midlands region. The report also includes sections that review current, national, regional and local phasing policy and best practice in light of the objectives of this Study. The questionnaire incorporated a set of questions agreed with the client focussed on the use of phasing policies in the delivery of housing land within the West Midlands.
- 1.5 **It is important to note that all of the Study questionnaires were returned from the 34 LPAs that were engaged as part of this Study.** This high level of response has enabled a thorough analysis to be undertaken that is representative of the regions diverse views on housing phasing policy. In addition this 100% return rate gives this work legitimacy. The benefit of this needs to be maximised by the WMRA and the LPAs for future monitoring and implementation of RSS and LDFs and for the partial review process.
- 1.6 The remainder of this report is structured as follows:

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- Section 2 considers the policy basis for managing the release of housing sites during the development plan period. It reviews national planning guidance and considers the potential effects of regional and local plans and where relevant considers the role of existing structure plans;
  - Section 3 considers current best practice in relation to the management of the release of housing land in relation to the paradigms identified in 'Planning to Deliver' (2001);
  - Section 4 provides the analysis of the questionnaires which provided a 100% response rate of all 34 LPAs which has therefore enabled enabling analysis to be both thorough and representative of regional/ geographical differences; and
  - Section 5 provides a view of the future policy direction for RSS and the RPB in light of the questionnaire analysis and best practice review at the local, sub-regional and regional levels. It also makes recommendations for the role of phasing policy at the local level (e.g. for LDF preparation).
- 1.7 The following section considers the policy basis for managing the release of housing sites during the development plan period.

## 2 Policy Review

### Background

- 2.1 This section looks at the policy basis for managing the release of housing sites during the development plan period. It reviews national planning guidance and considers the potential effects of regional and local plans and where relevant considers the role of existing structure plans within the West Midlands.

### PPG3 Housing

- 2.2 PPG3 (March 2000) sets out a new approach to planning for housing. Local Planning Authorities (LPAs) are expected to give priority to re-using previously-developed land within urban areas, bringing empty homes back into use and converting existing buildings, in preference to the development of greenfield sites. The objective is to make good use of land and therefore to achieve densities between 30 and 50 dwellings per hectare net and to seek greater intensity of development at places with good public transport accessibility. At the same time, LPAs should seek to provide more sustainable forms of development that exploit and deliver accessibility by public transport between housing, jobs, local services and local amenities, and by planning for mixed use.
- 2.3 The two major principles of PPG3 are the introduction of a sequential approach to the identification (and release) of housing land and the 'plan, monitor and manage' approach to the delivery of housing. This includes affordable housing which provides LPAs with an obligation to regularly review housing delivery and to detail this in the Regional Planning Body's (RPB's) Annual Monitoring Report. A review of housing land should be undertaken at least every five years and more often if there are signs of either under or over-provision.
- 2.4 In its final section, PPG3 outlines exactly what LPAs should monitor in the provision of housing. This includes:
- Numbers of dwellings provided in a plan area;
  - Proportion of dwellings provided on previously-developed land or by the re-use of existing buildings;
  - Numbers of dwellings provided on windfall sites;
  - Numbers of affordable dwellings provided;
  - The variety of types and mix of sizes of housing;
  - Density of new development; and
  - Car parking provision.
- 2.5 Earlier this year, PPG3 was revised to take greater account of the potential to use land allocated for employment uses for housing and mixed uses and to consider the opportunity to use redundant commercial land and buildings for residential uses.

- 2.6 Although a strong advocate of 'plan, monitor and manage', PPG3 stops short of recommending how LPAs should manage the release of allocated housing sites in local development plans.

### **PPG 3 Housing Update**

- 2.7 PPG3 was updated in January 2005 to support the delivery of additional housing. LPAs are urged to consider favourably planning applications for housing or mixed-use developments which concern land which has been allocated for industrial or commercial use in development plan documents. This also applies to redundant land or buildings in industrial or commercial use, but which is no longer needed for such use.
- 2.8 There are a number of exceptions to this, principally where such an approach would be contrary to general planning policy. Examples include:
- Proposals that fail to reflect the policies of PPG3;
  - The proposed housing development would undermine the planning and housing strategy set out in the RSS or development plan document where this is up to date – particularly if this would lead to over-provision of new housing and this would exacerbate the problems of, or lead to, low demand; and
  - There is a realistic prospect of the allocation not being taken up in the plan period or that its development for housing would undermine regional and local strategies for economic development and regeneration.
- 2.9 In addition, two further amendments were made in January 2005. The first is concerned with planning for sustainable communities in rural areas. This amendment updates paragraph 18 of PPG3 and stresses the importance of the meeting affordable housing needs in rural areas in perpetuity – including meeting the needs of gypsies and travellers. This would include the identification of exception sites in existing small rural communities in development documents and as applied to windfall sites.
- 2.10 The second applies to making allowance for windfall sites identified by trend data in capacity studies. Paragraph 36 of PPG3 is amended to make allowance for windfalls, but only for greenfield windfalls for rural exception sites.
- 2.11 It is also expected that further revisions to PPG3 will take place later in 2005 concerning a supply-side update to PPG3. This would take forward the Government's response to the recommendations in the Barker review of housing supply (see paragraph 2.45 onwards). This is expected to look at possible changes to the way in which the planning system allocates and releases land for housing in response to market signals.
- 2.12 The need to monitor and manage housing land supply in PPG3 has been supplemented by two best practice documents. The first seeks to give advice to LPAs on monitoring the supply of housing land and the second is concerned with the managed release of housing land and introduces three potential approaches for LPAs to consider.

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## **Monitoring Provision of Housing through the Planning System (DETR 2000)**

- 2.13 This best practice guide was produced in 2000 by the then Department for Transport, Environment and the Regions (DETR) to consider the implications of the need to 'plan, monitor and manage' as proposed in PPG3. The guidance considered the need to monitor, review current practice, and considered reporting and information sources and their use.
- 2.14 The advice recognised the need to keep housing supply under review. It stated that the basis of good practice in monitoring is to develop policies that are clear, precise and capable of being monitored. It provides examples, such as giving the percentage of new dwellings to be built on previously developed land. It goes on to suggest that policies without measurable targets are less satisfactory in that the application of the policy can be monitored, but its success without reference to a target is hard to judge.
- 2.15 This advice is concentrated on measuring the outcome of policy, it does not seek to manage policy output. This is taken forward in 'Planning to Deliver' which is discussed below.

## **Planning to Deliver (DETR 2001)**

- 2.16 'Planning to Deliver' (2001) takes forward the advice of PPG3 and seeks to establish how the objectives of 'plan, monitor and manage' can be incorporated into the managed release of housing sites. The aim is for LPAs to influence the type of sites released, the order in which they are released for development, and the timing of that development.
- 2.17 There is a clear expectation in PPG3 that LPAs *'should manage the release of sites over the plan period in order to control the pattern and speed of urban growth, ensure that the new infrastructure is co-ordinated with new housing development and deliver the local authority's recycling target.'*
- 2.18 The guide is intended to provide LPAs with guidance on developing clear planning policies and intelligent development control practices to manage the release of housing land effectively. It suggests that the approach should be clearly stated in the development plan.
- 2.19 Three approaches are suggested for the managed release of housing sites.
- Site release based on set criteria;
  - Ranking of sites for development; and
  - Releasing sites over time periods defined within a plan – phasing.

### **Criteria based release**

- 2.20 This approach is considered to be appropriate in only a limited number of circumstances. Examples include where housing requirement is particularly low, where the majority of housing requirements over the plan period are taken up by existing planning permissions, or where little, if any, greenfield development is anticipated and there is a significant reliance on small scale windfall sites.

- 2.21 The development plan should set out the criteria that will be used to assess whether a proposal is acceptable for development at the time that the application is made and should reflect the sequential criteria set out in PPG3. This approach relies very heavily on the development control function to achieve the release of appropriate housing land.

#### **Ranking of sites for development**

- 2.22 LPAs can indicate their preferred order of release of sites either on a site-by-site basis or on the basis of categories of sites that must be released before the next category can be considered. A site by site approach can be problematic, leading to disputes about how the priority was applied to a particular site. Ranking can send a clear signal to the market and infrastructure providers concerning which sites are preferred for early development, but refusal of a planning application on the grounds of ranking alone is unlikely to be lawful. This is because the order of development *per se* is not material to planning; what is material is the objective that the managed release of housing sites is seeking to achieve.

#### **Releasing sites over time periods defined within a plan – phasing**

- 2.23 This approach allows the LPA to establish a number of time periods within a development plan and for each phase to identify sites for achieving the housing requirement set out in the plan, having first taken account of an estimated windfall allowance. Plans include criteria relating to the suitability of a site for development against which all allocated housing sites would have been tested and against which all windfall sites would be assessed.
- 2.24 Phasing allows LPAs to meet the requirements of PPG3 and allows the full range of planning issues to be addressed. Phasing allows the greenfield resource or rural sites to be brought forward (when required) without prejudice to the potential of previously developed land.
- 2.25 A phased approach provides regular and transparent milestones against which a plan can be reviewed against its objectives. The phasing and the need to monitor, support each other in that the structure of the phased approach allows progress in the delivery of housing land to be assessed, whilst the criteria applied to the phasing programme provide grounds for development control decisions. Again it is suggested that the refusal of planning consent solely on the grounds of the phasing policy alone is unlikely to be lawful.
- 2.26 There are three principles that apply to the managed release of development sites:
- Local plans (LDDs) should identify suitable sites, after making an allowance for windfalls, to meet housing requirements;
  - Site identification should be informed by urban housing capacity studies; and
  - The allocation of sites should reflect the sequential approach set out in PPG3.
- 2.27 The order for the release of sites is set out in PPG3. Criteria can be developed to determine which of the allocated sites should be released first, and which should be released at a later date. This order should be based on sound planning reasons and should not be unduly inflexible.

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- 2.28 Within the context of PPG3, the fundamental aim of a managed approach to the release of housing land, should be to ensure that no more land is used for housing development than is necessary. In addition, it is also important, that as far as possible, previously developed sites are developed for housing in advance of any greenfield releases.
- 2.29 LPAs are urged to give special recognition to allocated sites that are considered to be an essential part of their strategy to meet housing requirements by designating them as strategic sites.
- 2.30 The situation of the release of housing sites is a dynamic one. Outstanding permissions, and developments underway but not yet completed, can affect the managed release of sites. LPAs should also consider the lead times required to bring particular developments on stream.
- 2.31 Windfall sites will be an important component of supply in many areas. Allocating as many sites as possible helps forward planning.
- 2.32 Monitoring is essential whatever the approach taken to managing the release of sites.
- 2.33 LPAs are asked to reconsider the release of sites in light of the results of their monitoring programme. It is therefore advisable that the criteria that would be applied to any change in the programme be set out in the plan. This would indicate the circumstances in which a re-assignment between phases could occur and indicate the circumstances that would cause this re-assignment to occur and the process that would operate.
- 2.34 Changes in the programme could be made through the use of Supplementary Planning Guidance/Document (SPG/SPD) that would ensure public awareness of any changes. Where a process for re-assigning sites is set out in the SPG/SPD, the effect of the plan is to:
- Confirm the principle of a site's allocation for housing;
  - State when a site would be released for development, subject to other material considerations; but also
  - Make it clear that monitoring could give rise to material considerations that could affect the timing of the release.
- 2.35 When the current phase is coming towards its end it is important to review the arrangements for the subsequent phase and any phases after that. This could lead to the current phasing structure being rolled forward, or the distribution of sites between phases revised. In extreme circumstances, the local plan may need to be altered or the plan replaced. Such circumstances would include:
- Housing requirements changing in the light of a strategic review of the annual rate of provision set out in RSS and where relevant the structure plan;
  - Insufficient windfalls arising, leading to a (consistent) shortfall in anticipated supply, raising the issue of whether greenfield sites need to be allocated or plan policies changed to facilitate a wider range of windfalls or to generate more windfalls from identified sources;

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- Significant additional windfalls coming forward consistently leading to excess supply;
  - Anticipated planning applications not being received for particular reasons such as:
    - Unforeseen physical or economic constraints; and
    - The required prior investment not being forthcoming.
- 2.36 The RSS should set out where the release of sites should be managed to secure the regional housing strategy. RSS should include the spatial principles for managing the release of sites including for sub-regions, but avoid setting out the detail of policies for inclusion in development plans. This could involve the following:
- Consideration of land supply identified by urban housing capacity studies;
  - The identification of those sub-regions where implementation of the regional strategy would be helped by joint working between authorities to secure the managed release of sites; and
  - Where sensible to do so, to vary the annual rates of housing provision within RSS between constituent plan areas.
- 2.37 Structure plans, where appropriate, should also set out where the release of sites should be managed across local plan boundaries to promote sustainable patterns of development. The final section of the paper provides a worked example of how the release of housing land could be managed by a LPA.
- 2.38 A number of other issues affect potential housing supply and there have been a number of policy documents and reports that argue for the relaxation of planning control in order to increase housing supply. Amongst these are Circular 01/05; PPS1, PPS11 and the Barker Review of housing supply. There is also recent advice for the production of Regional Spatial Strategies and Local Development Frameworks. These are considered below.

### **Circular 01/2005**

- 2.39 This circular is concerned with residential density in the south-east, including London, South East England, South West England, the East of England and Northamptonshire. It is intended to ensure that higher dwelling densities are achieved in the four growth areas defined in the Sustainable Communities Plan.

### **PPS1 Delivering Sustainable Development (ODPM 2005)**

- 2.40 PPS1 in its concern for the delivery of sustainable development, underlines the importance of bringing forward sufficient land to meet the need for housing and other land uses. LPAs are urged to plan and monitor the delivery of sustainable development in an integrated manner. Paragraph 10 sets out the LPAs' responsibilities for reporting, on an annual basis, the extent to which policies set out in local development plans are being achieved. Paragraph 32 (i) states, *'Plan policies must be set out clearly, with indicators against which progress can be measured. Plans should guide patterns of development*

*and seek to manage changes to the areas they cover.*' This provides an impetus to provide some sort of managed release of housing land to aid measurement of the delivery process. It also goes beyond PPG3 in advocating an annual review of housing land supply rather than a 5-year assessment.

### **PPS11 Regional Spatial Strategies (ODPM 2005)**

2.41 PPS11 is concerned with the delivery of RSS. The RSS, together with other regional planning strategies is to provide a spatial framework for the achievement of sustainable development. The aim is to make regional policy more specific with a focus on implementation and the need to submit an annual monitoring report.

### **PPS12 Local Development Frameworks (ODPM 2005)**

2.42 PPS12 is concerned with the delivery of Local Development Frameworks (LDFs). Within the section devoted to LDFs there is clear advice to LPAs to prepare an annual monitoring report to include information on whether policies and related targets or milestones in Local Development Documents (LDDs) have been met or progress has been made towards meeting them in accordance with Regulation 48. This is considered to be a core component of the monitoring report.

2.43 Annex C of the PPS provides a duty for LPAs to produce a robust housing trajectory that would form part of the Annual Monitoring Report. This should:

- Set out the past and anticipated supply of housing over the entire life-span of a development plan document;
- Assess any future shortfall or surplus of housing over the plan period;
- Reflect the outcome of discussion with stakeholders; and
- Demonstrate how the plan will deliver the policies relating to housing provision.

2.44 It is envisaged that the trajectory will demonstrate progress to date and extrapolate this to the end of the plan period. The trajectory will allow an easy comparison between plan objectives and its success in meeting these goals as well as providing clear signals of where the delivery of housing is running ahead or behind the approved rate.

### **The Barker Review (2004)**

2.45 The review of housing supply by Kate Barker (March 2004) considered factors that could be considered to limit the supply of housing in the UK. The issues driving the review were:

- A weak supply of housing contributes to macroeconomic instability and hinders labour market flexibility, constraining economic growth;
- Housing is increasingly becoming unaffordable to many people;

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- Houses are a major form of investment for many people;
  - The housing market indicates people's preference for the types of housing, location and communities that they would like to live in; and
  - Increasing housing supply raises concerns about the environment and loss of open spaces.
- 2.46 Failure to address these issues fails to achieve two important economic goals:
- To provide a more flexible housing market which adapts to and reflects the needs of the economy; and
  - To establish a more equitable distribution of housing wealth.
- 2.47 To continue the current rate of house building is not considered to be a realistic option unless we are prepared to accept increasing problems e.g. homelessness, affordability and social division, decline in standards of public service delivery and increasing the costs of doing business in the UK. All of these hamper our economic success.
- 2.48 The review sets out a series of policy recommendations to address the lack of supply and responsiveness of housing in the UK. It suggests the need to integrate economic considerations into the planning system, that we need a better means of assessing the costs and benefits of development and land use and that we need to acknowledge market signals and use the information provided.
- 2.49 The Government has already begun to address the issues of housing supply through the Sustainable Communities Plan, the establishment of the four growth areas and reforms to the planning framework.
- 2.50 In order to address the failure in housing supply, it is estimated that:
- Reducing the trend in real house prices to 1.8% would require an additional 70,000 private sector homes per annum; and
  - More ambitiously, to reduce the trend in real house prices to 1.1% (the European average) an additional 120,000 private sector homes per annum would be required.
- 2.51 In terms of the supply of affordable housing, it is estimated that an additional supply of social housing of 17,000 homes each year is believed to be required to meet the needs among the flow of new households. There is also a case to be made for an additional 9,000 dwellings beyond this to address the backlog in affordable housing provision.
- 2.52 The review suggests that the planning system should take more account of, and use, market information. It should also allocate more land for development, giving house builders greater choice of sites to develop, so increasing competition.
- 2.53 A stronger role for regional planning bodies is recommended, with an independent Regional Planning Executive charged with setting out advice on market affordability targets, housing numbers, strategic

- growth areas and co-ordinating links between the key players. At a local level, alternative routes to gain planning permission are recommended to speed up the process and increase certainty.
- 2.54 Land will only get developed if:
- The right incentives are in place for those making development decisions; and
  - Development is facilitated where market or government failures, particularly co-ordination failures, block permission development from occurring.
- 2.55 There should be new delivery vehicles to ensure that difficult sites are implemented with English Partnerships playing a key role. A Community Infrastructure Fund established to forward fund infrastructure provision and a simplification to Section 106 Agreements should also be pursued.
- 2.56 There is an argument in favour of some sort of 'planning-gain' tax to ensure that that the community can benefit more widely from windfall gains.
- 2.57 The number of affordable houses provided has declined despite an increase in public subsidy. This is a reflection of rising land prices. In order for affordable housing provision to 'catch up' over the next 10 years, 23,000 additional homes would be required at a cost of £1.6 billion. Government would not necessarily meet all of this. Registered Social Landlords (RSLs) and some developers are also developing models that seek opportunities to provide without public subsidy.
- 2.58 The development industry will need to respond positively to this changed environment for the delivery of housing. Local authorities should consider the level of competition in the new build market when granting permissions and discuss the build out rates for large sites and where appropriate encourage developers to split up these sites.
- 2.59 There is a need for a step change in increasing the supply of housing. Such a change may need Government intervention to establish special purpose vehicles to drive forward delivery.
- 2.60 In addition to advice at national level, the Regional Strategies also provide guidance on the managed release of housing sites.

### **RSS11 Regional Spatial Strategy for the West Midlands**

- 2.61 RSS11 calls for a step change in the delivery of housing within the established urban areas of the West Midlands. The objective is to shift the balance of housing supply towards the four Main Urban Areas (MUAs) of Birmingham/Solihull, the Black Country, Coventry and the North Staffordshire conurbation. The aim is to increase the current ratio of 1: 2 to a ratio of 1: less than 1, for dwellings completed within the MUAs compared to those outside them.
- 2.62 In addition, the move towards providing a more sustainable future for the region has led to the establishment of Regeneration Zones to tackle the problems associated with low rates of economic activity. The five urban regeneration zones in the West Midlands cover most of the Region's weakest housing markets and all the wards are within the 20% most deprived in the country.

- 2.63 The strategy goes on to argue that Local Authorities and their partners should work together to ensure cross-sector co-ordination in support of the priorities for action agreed through the Regional Housing Strategy process.
- 2.64 Policy CF1 talks of the need to provide a good choice of good quality housing, but stops short of suggesting that local authorities should provide a phasing mechanism to ensure that regional priorities are met. There is advice that outside the MUAs, the RPB should undertake studies to identify the role of each housing foci and through monitoring and review of the RSS, will advise on the timing and broad scale of development likely to be required at each location.
- 2.65 At least 76% of new housing should be provided on previously developed land between 2001 and 2011. It is suggested that the RPB should monitor delivery from recycled land and where targets are not met, make suggestions through development plan reviews to increase the scale of achievement in order to support the Spatial Strategy.
- 2.66 Policy CF6 is concerned with managing housing land provision. Development plans are encouraged to incorporate policies which:
- Allow for the managed release of new housing land, so as to secure the development of previously developed land and conversions, taking account of the need for any new infrastructure and ground preparation works; and
  - Take account of potential housing land provision and the policy framework in adjoining local authority areas so as not to undermine urban renaissance in other districts.
- 2.67 Development plans should also include measures to manage the release of housing land consistent with the implementation of the Spatial Strategy of the RSS.
- 2.68 In managing the release of housing land, local planning authorities should have regard to the advice in 'Planning to Deliver' in determining the most appropriate approach for their area.

## Summary

- 2.69 PPG3 advocates a sequential approach to the release of allocated housing sites in favour of previously developed land and conversions of land and buildings in sustainable locations. This clearly identifies the predominance of using brownfield land in preference to greenfield sites.
- 2.70 PPG3 also provides the onus for LPAs to plan, monitor and manage the release of housing sites. It stops short of advocating a method of managing this supply, a factor that is taken up in two supplementary good practice guides: 'Monitoring Provision of Housing through the Planning System' and 'Planning to deliver: the managed release of housing sites'. The latter offers three possible methods of achieving a managed approach:
- Criteria based site release;
  - Ranking of sites; and

- Phasing.
- 2.71 The advice though is clear in that LPAs should not entirely rely on the policy of a managed release of housing sites as a development control tool. This lack of strength in a managed release policy fails to provide the certainty needed to more easily guide a managed release programme.
- 2.72 The Barker Review advocates the need to increase the supply of housing land and this has also been reflected in the Government's Sustainable Communities Plan. Hence, there is increased pressure to deliver housing land, but importantly to ensure that the delivery programme favours brownfield sites.
- 2.73 RSS11 supporting document 'Towards an Implementation Framework' emphasises the importance of establishing a clear vision for the region and the need for co-operation between agencies and sectors to bring about its implementation. The pattern of housing development across the region is listed as the first indicator in the list of headline indicators provided in the RSS. Principal 'B' of the guiding principles lists the objective of encouraging a better balance between jobs, houses and services within each part of the Region in order to create more sustainable and stable communities. A method of achieving this is to use the principles of 'plan, monitor and manage' to control the release of land and achieve more sustainable patterns of development.
- 2.74 However, neither PPG3 nor RSS11 actual go so far as to present a clear link between the need to provide and monitor the delivery of housing using the sequential approach and the actual method to be adopted to ensure the positive management of the release of housing land.
- 2.75 Discussion with Regional Government Offices has confirmed that since there has been no guidance issued on this topic since 2001, and this is reflected in the tendency for phasing to be concerned with meeting housing targets, rather than with sustainability issues (such as the development of previously used land, or the comparative merits in terms of contributing to a sustainable community of a particular site that is brought forward over another less sustainable site) that managing the supply of housing land has not been taken forward as a major strand in the implementation of planning policy.
- 2.76 The RSS is clear in taking forward the advice in PPG3 in adopting a sequential approach to the location of new housing - focused upon the MUAs. There is a broad delivery programme that advocates a shift in providing new housing outside the MUA to a proportional shift with new housing being provided within the MUAs. This broad approach is appropriate at regional level, although it may be helpful to LPAs if the RSS were to provide some guidance on criteria to help identify a sequence for the development of housing sites within the districts.
- 2.77 The Government Offices accepted that there had been little guidance to LPAs on the managed release of housing sites. Neither the Monitoring Paper, nor Planning to Deliver, provides a prescriptive approach to the monitoring and delivery of housing land. The requirement under the new Planning Act, as developed in PPS1, to provide an Annual Monitoring Report has provided an obligation to consider the delivery of housing sites and the establishment of a local housing trajectory.
- 2.78 This objective is carried forward in PPS12, which provides advice on the implementation of LDFs. The advice is clear in Appendix C that LPAs must provide a trajectory that will demonstrate progress to date and provide an opportunity to relate plan objectives to delivery success.

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- 2.79 The Barker Review takes a Treasury approach to housing land supply and calls for a step change in the provision of housing land. In adopting this approach, LPAs would need to identify additional land in order to provide market choice. In such a situation it would be difficult to establish a phased approach to housing land supply, except on the basis of the delivery of housing numbers.
- 2.80 Government policy advice on the managed release of housing land lacks clarity. PPG3 by implication calls for LPAs to measure the amount of development delivered on various categories of land and sets objectives for the re-use of brownfield land. An approach to this would be for LPAs to adopt one of the methods advocated in 'Planning to Deliver' to ensure that its brownfield target would be met. The RSS has set an objective of focusing new housing development within the MUAs. This has clear implications for all LPAs within the West Midlands. However, the RSS does not suggest that the LPAs should adopt any form of phasing policy to ensure that the shift change towards the MUA focus is achieved.
- 2.81 There is little strength given to managed release policies within Government guidance. 'Planning to Deliver' takes this guidance furthest, but gives clear warnings that LPAs should not rely upon these policies to uphold development control decisions. This, together with the fact that guidance has not been updated since 2001, gives LPAs little incentive to adopt policies to inform managed release.
- 2.82 The next section considers evidence of best practice in the application of a managed approach to the release of housing land and considers how this in turn relates to the advice given in 'Planning to deliver'.

## 3 Best Practice Case Studies

### Background

- 3.1 PPG3 provides an obligation for Local Planning Authorities (LPAs) to 'plan, monitor and manage' the supply of land for housing within their districts. It is almost by implication that this approach should involve the active management of land release, often by some form of ranking of sites or phasing programme. Clearly, it is difficult to manage the delivery of housing land without some sort of programme against which to monitor delivery.
- 3.2 The current changes in the planning system with the move to RSS is encouraging greater awareness of the spatial implication involved in the release of allocated housing sites. The recently published Sub-Regional Strategy for Milton Keynes & South Midlands includes a chapter on effective delivery that is supported by area specific advice that provides a phasing programme for each of the main growth areas in five year tranches. It is recommended that statements for the six growth towns provide guidance on the housing and jobs targets and key infrastructure proposals that need to be developed in more detail in appropriate Local Development Documents for all the growth towns and taken forward in the strategic plans of the Growth Town Implementation Partnerships. An annual sub-regional monitoring statement will be prepared under the auspices of the Inter-Regional Board. This will monitor progress in achieving the main elements of the SRS, as developed in more detail by the LDDs, and as revealed by a range of appropriate indicators including housing completions, including affordable housing.
- 3.3 The SRS is clear that the actual land to be identified to meet these phasing targets will be provided in Local Development Documents (LDDs) produced by the relevant local authorities. The aim of the phasing policy at sub-regional level is to ensure that relevant delivery agencies provide resources to support the delivery of sustainable development through the Local Delivery Vehicles (LDVs).
- 3.4 The delivery of the Sub Regional Strategy will be monitored against the guidance provided for the six growth towns identified in the strategy to ensure that housing, jobs and key infrastructure proposals are delivered. It is expected that LDDs will provide more detail of these needs which will be taken forward in the strategic plans of the LDVs. The monitoring will include consideration of housing completions, including affordable housing, and development on previously-developed/greenfield land.
- 3.5 The Regional Spatial Strategy for the East Midlands (RSS8) provides annual housing requirements for the Structure Plan Areas. It also sets out a policy for the percentage of new housing to be provided on brownfield land (60%). However it does not provide a direct link between the use of previously developed land and housing delivery. Policy 56 outlines the obligation for the Regional Planning Body (RPB) to provide an annual monitoring report and there is also an undertaking to review the strategy on a five-yearly basis.
- 3.6 The South East Plan (Consultation Draft 2005) makes it clear that the efficient re-use of previously developed land and buildings within urban areas will be the first step in providing for the South East's housing needs. The Plan includes a supplement concerned with indicators and monitoring that provides a responsibility for LPAs to provide annual data on the net increase in housing provision. The Plan is divided into five year tranches for the purposes of implementation and suggests that a phasing

mechanism will be introduced for the sub-regional analysis. The Draft Plan however does not suggest a mechanism for managing the delivery of housing in the region.

3.7 'Planning to Deliver' (2001) provides three examples of frameworks for a managed release of housing land. These are:

- Site release based on set criteria;
- Ranking of sites for development; and
- Releasing sites over time periods defined within a plan e.g. phasing.

3.8 This section of the report looks at current practice in relation to the management of the release of housing land in relation to these paradigms. In the first case, we were unable to identify any plans that have made use of a criteria only based approach to the release of housing land. However, Dudley and South Shropshire have combined a phasing and criteria approach to attempt to maximise the re-use of brownfield land.

## Criteria

### Dudley Metropolitan Borough Council and South Shropshire District Council

3.9 The above two LPA's have adopted criteria approaches to the release of their allocated housing sites. In the case of Dudley, the criteria policy (H1) is used in conjunction with a phasing policy (H3) that sets out two phases of development from 2003 to 2007 and 2007 to 2011. Sites have been allocated to each phase based on a set of identified criteria including prioritising previously used land. Where necessary, sites will be transferred between phases by the use of Supplementary Planning Guidance (SPG) to combat either under or over supply.

3.10 In South Shropshire housing allocations are also brought forward on the basis of site criteria. Policy IP1 of the emerging Local Plan considers the managed release of housing land. The aim of the policy is to ensure that:

- Previously developed land is taken forward before greenfield sites;
- The supply of housing land is controlled over the plan period;
- To ensure priority areas / key settlements benefit from housing growth;
- To ensure delivery of affordable housing targets; and
- To secure other community gains.

3.11 The Council also sees as an adjunct to this being the potential need to adopt a moratorium on the release of housing land to prevent the over provision of housing land to comply with the RSS post 2007.

**Tamworth District Council**

- 3.12 Tamworth also combines a criteria based policy with a phased policy in that the first phase of a two phased policy favours brownfield land. A major greenfield site is allocated in phase 2 both from a sequential viewpoint and to allow for time to provide infrastructure to the site.

**Coventry City Council**

- 3.13 Although not strictly a criteria based approach, Coventry City Council has an interesting approach to managing housing supply by reserving two greenfield sites to be released if the housing land supply should fall below the five year allocation requirement.

**Ranking****Solihull Unitary Council, Unitary Development Plan - First review 2001 – 2011 (Revised Deposit)**

- 3.13 Policy H7 of the pre-deposit draft was concerned with the phasing of housing development. The aim was to bring forward previously developed land in advance of greenfield sites. However, this policy was deleted on the grounds that new greenfield sites were no longer allocated in the plan. In these circumstances, the Council believed that there was no need of a phasing policy.
- 3.14 The Council clearly saw its ranking responsibility related solely to the choice of greenfield or brownfield land. It did not consider that there was merit in developing a ranking mechanism for the release of its brownfield sites.

**Bedford Borough Council, Bedford Borough Local Plan - October 2002**

- 3.15 Bedford Borough's Local Plan categorises its allocated housing sites. Policy H1 states that '*The Borough Council identifies housing development sites on the Proposals Map and as listed in table H3 these having an ultimate physical capacity to provide in the order of 6,349 new dwellings.*'
- 3.16 In support of this policy the plan sets out the need to agree delivery rates on major sites in order to co-ordinate the rate of development with the timely provision of infrastructure. The Council will impose planning conditions with consents and promote S106 agreements to ensure that this programme is implemented. Policies H2 and H4 to H22 deal with each of the allocated sites separately.
- 3.17 Bedford has taken a structured view to its allocation of housing land. It has allocated more than is required in the Structure Plan and implies a rate of construction beyond that achieved in recent years. The approach allows for flexibility in bringing sites forward. This is because:
- The high dependence upon new infrastructure provision to bring forward the main development sites;
  - To give certainty to private sector investment which will need to be spread over whole sites and not just be concentrated on the initial phases;

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- To ensure continuity in housing land provision both through the Local Plan period and beyond;
  - Section 106 Agreements and planning conditions will be used at outline planning permission stage to agree the timely provision of infrastructure and an acceptable delivery programme;
  - There is a need to ensure the primacy of the development plan in bringing forward the required amount of housing land through the plan period; and
  - Site capacities are not established on the basis of a notional density, but on local design guidance to ensure variety in urban form.
- 3.18 The capacity of each allocated site is set out in a specific policy within the Local Plan that also assumes an appropriate mix of housing types. The development control process will establish the actual capacities of individual sites.
- 3.19 The Council has specific policies for each site, either identified in the plan or in a separate development brief. Sites are categorised according to the following criteria:
- Urban sites;
  - Sites adjoining the urban area;
  - Sites within strategic corridors;
  - Sites within first order villages;
  - Sites within second order villages; and
  - Other village sites.
- 3.20 However, although sites are ranked according to sustainability criteria, there is no time limit to the development of any site. It is the Council's dependency on major infrastructure investment to deliver its major allocated sites that has led to this approach being adopted in the Local Plan.
- 3.21 Neither of these examples presents a model for taking forward a ranking approach to the delivery of sites. Both Solihull and Bedford have categorised sites, but neither has taken this forward as a basis for phased delivery. In the case of Solihull, the Council abandoned its ranked approach when it could accommodate all its supply of housing land on brownfield sites and Bedford, because of its high housing allocation, became dependant upon the provision of key infrastructure in order to deliver many of its allocated housing sites.

## Phasing

### Malvern Hills District Council

3.22 An objective of the Malvern Hills District Council, Second Deposit Draft Local Plan 1996 – 2011 - October 2004 is to deliver 3,900 new dwellings in the period to 2011, through the application of the 'plan, monitor, manage' approach to housing land supply. Under Policy DS6, residential allocations are divided into two phases, with the majority (around 3,000 dwellings) in the first phase between 1996 and 2006, and around 1,000 dwellings in the second phase between 2006 and 2011.

3.23 The plan provides a justification for its phasing programme in Para. 2.5.9:

*'The District Council has considered the characteristics of the allocated sites, progress towards securing planning approval for development, the need to provide essential infrastructure, meeting affordable housing needs and the likely timing of development in order to arrive at the proposed phasing established in Policy DS6.'*

3.24 However, the LPA does not provide a transparent analysis of how the criteria affecting sites compare with each other and what has led to particular sites being included in the first phase rather than the second.

3.25 The basis of this division is based upon the characteristics of the allocated sites, progress towards securing planning approval for development, the need to provide essential infrastructure, meeting affordable housing needs and the likely timing of development.

### Wycombe District Council, Wycombe Local Plan 1991 – 2011

3.26 Wycombe takes its lead in establishing a phasing policy for the release of housing land directly from PPG3. The Local Plan proposes to apply the sequential test to the release of housing land in order to:

- Ensure that previously developed sites (or buildings for re-use or conversion) should normally be developed before greenfield sites;
- Establish policies to ensure the release of sites in accordance with this principle;
- Provide a managed release of sites to ensure that the LPA has control over the pattern and speed of urban growth;
- Ensure that new infrastructure is co-ordinated with new housing development; and
- Ensure that the level of housing development on previously developed land and buildings can be maximised.

3.27 The Buckinghamshire Structure Plan sets out a broad phasing programme for the District as follows:

- 1991 – 2001                      3,500 dwellings

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- 2001 – 2006                      2,000 dwellings
  - 2005 – 2011                      1,700 dwellings

3.28 The District takes this forward in two phases of development:

- Phase 1 1<sup>st</sup> April 2000 – 31<sup>st</sup> March 2006                      2,282 dwellings
- Phase 2 1<sup>st</sup> April 2006 – 31<sup>st</sup> March 2011                      1,950 dwellings

3.29 The first phase includes a concentration of previously developed sites, with two greenfield sites being held back to the second phase. This phase includes sites with planning permission. A windfall allowance is made within both phases of development.

3.30 The Council undertakes to closely monitor the delivery of sites in order to keep housing supply under review. The Council will publish annual monitoring reports to assess housing land supply against the phasing targets. The Council will also consider variations to the phasing programme in order to meet its development objectives.

3.31 The Council also undertakes to introduce mechanisms to manage the release of housing sites under both phases. This may take the form of an alteration to, or review of the Plan, or the publication of Supplementary Planning Guidance (SPG) as suggested in 'Planning to Deliver' that would be subject to appropriate public consultation. However, any SPG would only be concerned with timing and not the principal of any existing or new housing allocation. If there is a need to bring forward land to meet first phase targets this will be done on the basis of the sequential approach advocated in PPG3. Where SPG is used to manage the release of sites, any changes in the timing of release will not affect the principle of allocation of the site for housing under Policy H2 of the Plan.

3.32 Any new sites that may need to be allocated to meet a significant shortfall can only be allocated through a review or alteration to the Plan, not through the publication of SPG. Allocations made through Policy H2 will in any event be monitored through reviews of the Plan. This will be informed in particular by the outcome of regular monitoring of housing land supply, an urban capacity study, and any revised requirements arising from a Structure Plan review/Review of Sub-regional Planning Guidance.

3.33 Where, as a result of the above factors, a need is identified to alter the allocations set out in Policy H2, this will follow the sequence set out in paragraph 30 of PPG3, namely previously developed land and buildings within urban areas, then urban extensions, and finally new development around nodes in good public transport corridors.

3.34 A similar approach is adopted by a number of other councils within the West Midlands. Bridgnorth has a phasing policy to control the release of sites over the plan period, North Warwickshire has a policy of phased release and like Coventry has identified greenfield land for release if the phased approach does not provide sufficient dwellings. Stratford adopts a two phased approach and holds back a major greenfield allocation in deference to allocated brownfield sites.

- 3.35 Both Malvern and Wycombe have established phasing policies for the release of their housing allocations during their Local Plan periods. The approach of Malvern provides a mix of site types based upon sustainability and ease of deliverability. In the case of Wycombe, the policy is based upon sustainability criteria with information provided upon the remedial action that will be taken should an over or under supply of land take place in any phase.

## Monitoring

### **Braintree District Council, Braintree District Local Plan Review - Revised Deposit Plan May 2003**

- 3.36 Braintree Council took a revised version of their Local Plan to a Public Local Inquiry in April 2004. The revised Deposit Plan makes reference to 'plan, monitor and manage' but is not clear on what basis the plan will be monitored other than in terms of the delivery of housing numbers. The plan makes reference to the need to make use of previously used land for development and sets an objective of using 50% re-used land in meeting housing provision over the period from 2001 to 2011.
- 3.37 However, whilst recognising the need to apply the plan, monitor and manage approach of PPG3, the LPA intends to review the plan in five years time, or sooner, should monitoring of the housing supply situation identify an under-provision or over-provision of housing land. It is proposed that the supply of housing land should be reviewed at least annually.
- 3.38 The LPA has not established a criteria or ranking system to assess housing delivery in terms of adopting a sequential approach to housing delivery, nor has it established a criterion based approach against which to assess the merits of particular sites.

## Summary

- 3.39 Whilst PPG3 and its supporting advice provide a guide to the management of housing site release. There has been little progress in providing methodologies that combine the twin objectives of meeting regional/sub-regional/county targets and ensuring that a sequential approach is used to trigger the release of appropriate development sites. In the case of Bedford this was considered to complicate the supply of land which was already difficult because of its high dependence upon infrastructure provision. Wycombe Council however, does have a policy that phases the release of sites, based upon the sequential approach to housing development.
- 3.40 Where a managed release of housing sites has been proposed in Local Plans, there have been difficulties in its implementation. Policies have been withdrawn as in the case of Solihull, where the removal of greenfield allocations removed the *raison d'être* for the phasing policy.
- 3.41 As a consequence there are few examples of where Local Development Plans have taken on board a robust management programme for the release of its allocated housing sites. This is possibly because PPG3 is not explicit in requiring LPAs to provide some form of managed release programme and this has not been taken up in advice since the publication of 'Planning to Deliver' in 2001 and also because of the weakness of the phasing policy as a basis for development control decisions.

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- 3.42 LPAs are now working towards the new planning frameworks and as such have not necessarily revisited their pre 2000 Local Plans. It is expected that the forthcoming LDDs will pay more attention to the managed release of housing sites. This will also be a consequence of a lack of Structure Plan guidance in non metropolitan areas and the potential need for LPAs to work jointly in producing LDDs.
- 3.43 Discussion with GOWM confirms these findings. However, it is expected as progress is made in producing LDFs, that more attention will be applied to the management of the delivery of allocated housing sites. It is expected that this will be a part of the Core Strategy and be examined in the annual monitoring reports.
- 3.44 The next section considers the analysis of the questionnaires that were circulated to the 34 Local Planning Authorities in the West Midlands.

## 4 Questionnaire Analysis

### Background

- 4.1 As part of this Study a questionnaire was circulated to all 34 Local Planning Authorities (LPAs) within the West Midlands region. This was prepared in consultation with the client group, a copy of which is attached at Appendix A.
- 4.2 The questionnaire forms an integral part of the study that GVA Grimley have undertaken on behalf of the West Midlands Regional Assembly on the use of phasing policies to control housing land supply across the West Midlands Region. The study is a very important piece of research that will provide guidance on the implementation of the Regional Spatial Strategy (RSS) and help to inform the Partial Review of the RSS.
- 4.3 The Regional Planning Body required the information in order to help the effective delivery of the RSS housing policies, in particular CF3 and CF4 in delivering a steady stream of housing land to meet the Table 1 annual housing rates and the RSS PDL targets. It is also hoped that it will prove useful for the development of LDF policies.
- 4.4 The questionnaire incorporated a set of questions agreed with the client focussed on the use of phasing policies in the delivery of housing land within the West Midlands. Best practice examples have been considered in Section 3 of this report. Local Planning Authorities were asked to use their latest development plan to fill out the questionnaire. This was either their adopted plan or a plan under review if it has reached first deposit stage.
- 4.5 All of the Study questionnaires were returned from the 34 LPAs that were engaged as part of this Study. This high level of response has enabled a thorough analysis to be undertaken that is representative of the regions diverse views on housing phasing policy.
- 4.6 The 100% return rates gives this work legitimacy. The benefit of such a level of response needs to be maximised by the WMRA and the LPAs for future monitoring and implementation of RSS and LDFs and for the partial review process.
- 4.7 Individual questionnaire proformas from Local Authorities are split by sub-region and are provided in Appendices B-J.
- 4.8 Due to the extent of the questionnaire (28 questions) we have not analysed all responses to the same extent and have thus focussed on the core issues identified within and compliant with the clients brief namely:
- Local Planning Authorities current practice e.g. usage, type, approaches to phasing policies across the region (Qu's. 1-6);
  - Effectiveness of phasing policies at the local level e.g. delivery of the PPG3 sequential approach and a stream of housing land, achievement of PDL and Local Plan housing targets and reasons for lack of delivery and non-implementation (Qu's. 7-17);

- Future use of phasing policies in controlling the release of housing land across the West Midlands region (Qu's. 18-21); and
- Role of the Regional Planning Body (RPB) in providing advice to Local Planning Authorities on the use of phasing policies (Qu's 22-28).

4.9 In order to provide a geographical perspective of the responses from the questionnaire it was decided to divide the LPAs into three categories, compliant with RSS namely, 'Major Urban Areas' (MUAs), 'Closer In Rural' (CIR) and 'Outer Area Rural' (OAR). This approach enables a view to be taken on the level of responses by geographical area which may indicate parity or not of approaches to phasing. If further detail is required the full questionnaire responses of each LPA is provided in Appendices B to J.

4.10 The breakdown of LPAs into these three geographical groupings is provided below:

- **'Major Urban Areas' (8):** Birmingham City Council, Coventry City Council, Dudley MBC, Sandwell MBC, Wolverhampton MBC, Walsall MBC, Solihull MBC and City of Stoke on Trent (as this area is quite significantly different from the metropolitan area, when relevant the analysis will identify any differences in responses to the remainder of the metropolitan areas);
- **'Closer In Rural' (21):** Bromsgrove DC, Malvern Hills DC, Redditch BC, Worcester City Council, Wychavon DC, Wyre Forest DC, Bridgnorth DC, Shrewsbury and Atcham BC, Telford and Wrekin Council, Cannock Chase DC, East Staffordshire BC, Lichfield DC, Borough of Newcastle under Lyme, Stafford BC, South Staffordshire Council, Tamworth BC, Nuneaton and Bedworth BC, Rugby BC, Stratford on Avon DC, Warwick DC and North Warwickshire BC; and
- **'Outer Area Rural' (5):** Herefordshire Council, North Shropshire DC, Oswestry BC, South Shropshire DC and Staffordshire Moorlands DC,

4.11 The level of responses received, compared to those sent out is identified below:

**Table 4.1: Level of Questionnaires Received**

Category of LPA	No. Questionnaires Received	Percentage of Total
Major Urban Areas	8 out of 8	100%
Closer In Rural	21 out of 21	100%
Outer Area Rural	5 out of 5	100%

Source: GVA Grimley

4.12 The following analysis considers the responses received from the Local Authorities in light of the above headings.

### **LPA Current Practice - Phasing Policies**

4.13 Six questions were asked of Local Authorities in this first section of the questionnaire.

- 4.14 When asked whether LPAs had a housing phasing policy 56% (19) of them identified that they do not have a phasing policy in their current adopted development plan, whereas 44% (15) do. There was no geographical pattern of LPAs that did or didn't have a phasing policy as the following tables show.

**Table 4.2: LPAs that do not have a phasing policy**

	No.	% of LPA type
MUA	5	63%
Closer In Rural	11	53%
Outer Area Rural	3	60%
TOTAL	19	56%

Source: GVA Grimley

**Table 4.3: LPAs that do have a phasing policy**

	No.	% of LPA type
MUA	3	37%
Closer In Rural	10	47%
Outer Area Rural	2	40%
TOTAL	15	44%

Source: GVA Grimley

- 4.15 The key reasons as to why phasing policies were not thought appropriate included the following:
- Seen as a mechanism to deliver greenfield land allocations;
  - Reliance on PDL/ brownfield land for strategic housing allocations;
  - Current limitations of housing land supply; and
  - Strong housing market regulated by developers.
- 4.16 Further analysis of the above identified the following:
- Birmingham felt that phasing policies were only relevant as a mechanism to deliver and control the release of greenfield land allocations. However the UDP was not proposing any additional greenfield land allocations and by the time of the UDP Local Plan Inquiry all existing greenfield allocations carried forward for the previous plan had received planning permission;
  - Sandwell, Wolverhampton, Walsall and Solihull do not think it necessary to have a policy as their LPA areas do not have the greenfield/ brownfield issue that other LPAs face as nearly all the sites that come forward are brownfield. As a result there is a reliance on PDL/ brownfield land for strategic housing allocations; and
  - Shrewsbury commented that phasing policies have never worked in their area due to the strength of the housing market and the fact that developers tend to police themselves. Phasing policies tend to place arbitrary restrictions on an efficient and effective housing market and generally tend to

frustrate both developers and the planning system. More often than not the unrestricted sites tend to meet significant constraints and then the market needs the restricted sites to come forward in advance of the phasing restriction. Therefore, the impact of development constraints has acted as the phasing restriction and developers have also phased the development and marketing of their sites to avoid undue competition caused by swamping the market with too many units at any one time – which can reduce the sale price.

- 4.17 All LPAs were asked whether their phasing policies were generic (the same throughout their whole area) or specific (specific policies to a particular site/ area within the LPA area). The following tables summarise the results;

**Table 4.4: Nature of Phasing Policies**

	No.
<b>Generic</b>	<b>5</b>
<b>Specific</b>	<b>10</b>
<b>Both</b>	<b>2</b>
<b>N/A</b>	<b>17</b>
<b>TOTAL</b>	<b>34</b>

Source: GVA Grimley

- 4.18 The following table identifies the above split by geographical location:

**Table 4.5: Nature of Phasing Policies by geographical location**

	MUAs	CIR	OAR
<b>Generic</b>	<b>0</b>	<b>3</b>	<b>2</b>
<b>Specific</b>	<b>2</b>	<b>8</b>	<b>0</b>
<b>Both</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>N/A</b>	<b>6</b>	<b>9</b>	<b>2</b>
<b>TOTAL</b>	<b>8</b>	<b>21</b>	<b>5</b>

Source: GVA Grimley

- 4.19 It was interesting to note from the above analysis in Tables 4.4 and 4.5 that not all of the LPAs that do not have a phasing policy answered N/A to this question. This showed that those LPAs that do not have a housing land phasing policy as such apply the guidance of PPG3 for developing Previously Developed Land (PDL)/ brownfield land in preference to greenfield land. This in a way becomes the unwritten phasing policy that is applied to housing development by areas that do not have a specific phasing policy.
- 4.20 The questionnaire asked the LPAs to identify they type of phasing polices that they are currently using. These were split into various categories as follows:
- Criteria based (using location or other tests of suitability);
  - Ranking based approach (using a preferred sequence of release);
  - Releasing sites over defined plan periods;

- Prioritising brownfield sites only;
- Using strategic sites (LPAs may wish to give special recognition to allocated sites that are considered to be an essential part of their strategy to meet housing requirements by designating them as strategic sites); and
- Other.

4.21 The following table shows the results of these responses:

**Table 4.6: Type of Phasing Policies**

	No.
Criteria based	3
Ranking based	1
Releasing sites over defined plan periods	9
Prioritising brownfield sites only	5
Using strategic sites	0
Other	1
N/A	15

Source: GVA Grimley

4.22 A further split by geographical location identifies the following:

**Table 4.7: Type of Phasing Policies by geographical region**

	MUAs	CIR	OAR
Criteria based	1	1	1
Ranking based	0	1	0
Releasing sites over defined plan periods	1	8	0
Prioritising brownfield sites only	0	3	2
Using strategic sites	0	0	0
Other	0	1	0
N/A	6	7	2
<b>TOTAL</b>	<b>8</b>	<b>21</b>	<b>5</b>

Source: GVA Grimley

4.23 It is not surprising that the preferred typology of housing land phasing is releasing sites over defined plan periods in line with targets identified in their development plan. In addition to this, and as noted above the prioritisation of brownfield sites is also a key driver by which housing phasing policy is delivered.

4.24 As a follow on from this question all LPAs were asked to identify what the principle motivation behind their phasing policies was. We provided them with options as follows;

- To ensure PDL sites come forward before greenfield sites;

- To control the supply of housing over the length of the Local Plan/ Unitary Development Plan (UDP) period;
- To ensure priority areas/ key settlements benefit from housing growth; and
- To ensure delivery of affordable housing targets.

4.25 The following tables show the results of this analysis:

**Table 4.8: Principle Motivation behind Phasing Policies**

	No.
<b>PDL before Greenfield</b>	<b>6</b>
<b>Controlling of housing supply</b>	<b>6</b>
<b>Mixture of all identified in Para. 4.24</b>	<b>3</b>

Source: GVA Grimley

**Table 4.9: Principle Motivation behind Phasing Policies by geographical location**

	MUAs	CIR	OAR
<b>PDL before Greenfield</b>	<b>1</b>	<b>3</b>	<b>2</b>
<b>Controlling of housing supply</b>	<b>0</b>	<b>6</b>	<b>0</b>
<b>Mixture of all identified in Para. 4.24</b>	<b>0</b>	<b>2</b>	<b>1</b>

Source: GVA Grimley

4.26 The above tables show a breakdown from the LPAs that do have phasing policies. The majority of LPAs, in all geographical locations thought that the principal motivation behind phasing policies was either the PPG3 directive of developing PDL before greenfield land or the need to control the level of housing supply over the plan period. This will ensure that situations of over supply do not occur but will ensure that market demand is met. It could be argued here that the control of housing supply is not truly phasing but a mechanism to allow the breaks to be put on the supply of housing.

4.27 Of the 34 LPAs questioned only 10 (29%) indicated that windfall sites are taken into account in developing phasing policy. This again raises the issue discussed earlier that more LPAs see the whole issue of the phasing of housing land as wider than just having a specific policy. Only 44% (15 LPAs) have a phasing policy but Question 5 identified that 22 LPAs (65%) had a view on whether windfall sites should be considered as part of phasing policy. The analysis showed that of these, a slight majority 12 out of 22 LPAs thought that windfall sites should not be considered in developing phasing policy.

4.28 When these figures were split geographically, it was interesting to note that none of the three MUAs who answered this question (Coventry, Dudley and Stoke) considered windfall sites when preparing their phasing policy. The converse to this was the 'Outer Area Rural' LPAs. All of the three authorities (Herefordshire, North Shropshire and South Shropshire) that did have phasing policies all considered the role and potential contribution that windfall sites would have as part of a balanced supply of housing land. This is due in part to the diversity of the MUA and OAR LPAs. The MUAs being largely urban in nature and the OAR rural and as a result it is a lot easier to identify potential windfall sites that will come forward in 'Outer Area Rural' areas than in 'Major Urban Areas' where the majority of developments are on windfall sites.

- 4.29 LPAs were further asked as to the ways in which phasing policies are used to control supply. As expected the majority (79% and 15 out of 19 LPAs) use a mixture of monthly, quarterly, and annual monitoring to control supply. All types of LPAs undertook monitoring to a varying extent, whereas moratorium is a control that will be used in Dudley if completion rates exceed demand. As identified above this is also about managing the overall housing supply.

## Effectiveness of Phasing Policy

- 4.30 This section of questions builds on the above and considers the effectiveness of the current phasing policy in meeting housing targets and considering issues such as PDL targets, the PPG3 sequential approach, supply of housing land and monitoring.

- 4.31 The following headline conclusions from this section include the following:

- 50% (17 out of 34) of all LPAs feel that their phasing policy is adequate to meet their housing targets in their current plan (this increases to 85%, 17 out of 20 LPAs with a phasing policy). When these figures were split geographically it was interesting to note that two (Coventry and Dudley) out of three MUAs felt that their current policy was adequate, all 14 of the 'Closer In Rural' LPAs thought it to be adequate whilst only one (South Shropshire) out of three of 'Outer Area Rural' areas thought that their current policy was adequate to meet current targets;
- The majority, 77% (10 out of 13) feel that their current policies provides sufficient direction when planning applications are submitted for residential development. All of the LPAs (2 that replied) within the MUAs felt that their policies provided sufficient direction 100% of the time, this fell to 78% of the time in the 'Closer In Rural' LPAs (7 out of 9) and further to 50% (1 out of 2) in the 'Outer Area Rural' areas;
- 88% (15 out of 17) of LPAs feel that their current phasing policies delivers the PPG3 sequential approach, i.e. prioritising brownfield/ PDL over greenfield allocations. All LPAs felt this with the exception of one 'Closer In Rural' LPA/ sub regional foci area;
- Despite the above, it is interesting to note from the questionnaire that 74% (14 out of 19 LPAs) do not feel that their PDL targets are being met through their phasing policies. When you dig a little deeper under this it isn't that their targets for PDL are not being met *per se*, because they are, but more so that their PDL targets are not being met through phasing policy. Both the MUAs and the 'Outer Area Rural' areas feel that PDL targets are being met on a one in two basis, whereas it is the 'Closer In Rural' LPAs where the majority of PDL targets are not met through phasing policies (75%);
- The questionnaires identify that 62% of all LPA's feel that their housing targets are being achieved through their current development plan (this increases to 84%, 21 out of 25 LPAs when related to those LPAs that have a phasing policy). This is slightly higher than what is recorded in the 2004 RSS Annual Monitoring Report, where 57% of strategic authorities are meeting their minimum and maximum requirements. Comparisons between the two data sets are not easy as the Monitoring Report provides detail only at the strategic authority level, whereas the questionnaire considered individual LPAs.

- Of the remainder that did not feel that their housing targets were being achieved this was largely due to the fact that their respective Plans were going through either the review process or Public Inquiries. As a result this was impacting upon developers who were waiting for the outcome of such processes before committing to new developments. The geographical analysis showed that targets were currently being achieved in five out of six MUAs, in 14 out of 15 of all the 'Closer In Rural' LPAs, but only in 50% (2 out of 4) of 'Outer Area Rural' areas;
- The majority of LPAs, 65% (11 out of 17) do not feel that phasing policies are providing a steady stream of housing land. Reasons for this included the following. A lack of restrictions between 1996 and 2005 in Bromsgrove led to over supply to the extent that housing growth will need to be slowed down. A large number of windfall sites coming forward in the Wyre Forest led to there being increased pressure to release sites early. In Shrewsbury this is not occurring due to the fact that the planning system and the development market regulate this together and that phasing policies do not have a role. The geographical analysis showed that this was more of a problem outside the 'Major Urban Areas' as the one MUA LPA (Dudley) that answered this question felt that a steady stream of land was being provided. Away from the MUA's this was felt less so, with 69% (9 out of 13) in 'Closer In Rural' LPAs and 66% (2 out of 3) in 'Outer Area Rural' areas identifying the fact that a steady stream of housing land was not being provided;
- The majority, 80% (16 out of 20 LPAs) undertake monitoring at LPA level. This is undertaken either on a monthly, quarterly, annual or biannual basis and feeds into policy review. All of the MUA LPAs that answered this question (2 – Coventry and Dudley) undertake monitoring, this falls to 80% (12 out of 15) in the 'Closer In Rural' LPAs and to 66% (2 out of 3) in 'Outer Area Rural' areas; and
- 82% (14 out of 17 LPAs) do not interact with neighbouring authorities on cross boundary sites. The only LPAs that do, one is in a MUA (Dudley) and the other is an 'Outer Area Rural' LPA (South Shropshire). Dudley interacts at plan preparation and planning application stage and South Shropshire as and when the need arises.

## Future Direction of Phasing Policy

- 4.32 The next section of questions focussed on the future direction of phasing policies as part of the preparation and delivery of Local Development Frameworks (LDFs). The following conclusions are drawn from the analysis.
- 4.33 It is interesting to note that the majority of LPAs, 88% (30 out of 34) are considering including phasing policies in their future LDF. Of these LPAs 25 (74%) already have firm commitments to introduce phasing policies as part of future LDFs. When further analysis is undertaken on a geographical basis it is interesting to note that it is the MUAs who are less keen to introduce phasing policies in future LDFs. It is likely that there is not a perceived need due to the nature of the area. Despite this only one out of eight LPAs answered 'no' (Birmingham), three answered 'yes' (Coventry, Dudley and Stoke) and the remaining four were still considering these as an option. Of the 'Closer In Rural' LPAs the majority, 90% (19 out of 21) are likely to include phasing policies in their future LDF, one of them have rejected it (Lichfield) and one LPA is yet to make the decision (Oswestry). A similar positive response has been

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received from the 'Outer Area Rural' LPA's with the majority, 75% planning to include them and only one authority (Staffordshire Moorlands) having decided not to.

4.34 The 74% discussed above is quite a substantial shift from current practice as only 44% of the 34 LPAs interviewed currently have phasing policies. There are a number of reasons as to why this is seen an important element of housing policy in future LDFs as follows:

- To balance/ control land and housing supply;
- To maximise development of brownfield land/ PDL;
- To ensure compliance with PPG3 of achieving sustainable development and incorporating the sequential approach;
- To provide a formal basis of 'Plan, Monitor, Manage';
- To spread housing and related infrastructure growth; and
- To avoid the early release of greenfield land.

4.35 The questionnaire asked all LPAs whether they are considering a sub-regional or multi authority approach to phasing. The majority, 71% (22 out of 31) are not considering such an approach. The MUA LPAs most favoured such an approach, with 50% of those that answered the question (3 out of 6) saying that they would consider it (Coventry, Sandwell and Wolverhampton). This is perhaps due in part to the fact that a number of them are currently engaged in such practices as part of the ongoing Housing Market Renewal Area (HMRA) Pathfinder initiatives that cross LPA boundaries.

4.36 As seen in previous analysis the 'buy in' for such an approach decreases within the other LPAs with 85% (17 out of 20) in 'Closer In Rural' LPAs and 100% (3 out of 3 that replied) in 'Outer Area Rural' areas not considering such an approach. This is due in part to the nature of the product in these areas and that these LPAs at present have not had to consider the importance of working across boundaries as the MUAs have through the HMRA Pathfinders.

4.37 It is likely that this perception may change in the future due to the announcement on the 16<sup>th</sup> March 2005 by the ODPM that eight rural Pathfinders would be set up using Sustainable Communities funding throughout the UK. There are two Pathfinder areas that will cross the boundaries of the West Midlands region, namely the Peak District Rural Action Zones that crosses the regional boundary between East and West Midlands and Shropshire. These Rural Pathfinders will focus upon rural poverty, post offices, supporting local businesses and protecting natural heritage and will tackle issues that plague rural communities from affordable housing to local transport. Although the main objectives of these Pathfinders will not be about large scale housing renewal, but the development of rural services it is our view that such improvements will impact upon the communities in these areas and could subsequently impact upon the housing market. Such initiatives will increase the need for cross boundary co-operation and joint working in the more rural authorities.

- 4.38 There was a mixed response by LPAs as to whether housing phasing policies will be used to deliver wider policy objectives other than PDL targets and housing targets as follows;
- 38% (13 out of 34) said that they would deliver wider policy objectives and 32% (11 out of 34) said that they might, such as regeneration schemes in housing market pathfinder areas, the delivery of affordable housing in Pathfinder areas and the and delivery of key development sites; and
  - 26% (9 out of 34) felt that housing phasing policies would not deliver wider policy objectives and that these would be met through other policy vehicles and the remaining 4% was from one LPA who did not answer the question.
- 4.39 There was a mixed response to this question geographically with only two out of eight MUA's thinking they would deliver wider policy objectives. These were Sandwell and Stoke and both sited these as being particularly important for regeneration schemes in Pathfinder areas. The remaining six MUA LPAs were equally split between a definite 'no' and 'maybe' answers. The 'Outer Area Rural' areas were similarly unsure with the majority, three out of five undecided and the remainder split equally between 'yes' and 'no'. It was the 'Closer In Rural' LPAs that provided the most positive response with 10 out of 19 or 53% thinking they would with the remainder split equally between 'unsure' and 'no'.

### Future Role of the RPB on the use of Phasing Policies in RSS

- 4.40 This final section of questions considers the future role that the RPB will play in housing land phasing policy and the role that RSS 11 both now and in the future will have in providing strategic policy guidance to the LPAs within the West Midlands.
- 4.41 There was a mixed response from LPA's as to whether the RPB should play an active role in defining and delivering phasing policies in the region as the following table indicates:

**Table 4.10: Future Role of the RPB in Phasing Policy**

	No.
<b>Active i.e. defining and delivering phasing policy</b>	<b>11</b>
<b>Strategic i.e. continuation of current role</b>	<b>23</b>

Source: GVA Grimley

- 4.42 As the above table shows the majority of LPAs wanted the RPB to continue in it's current role of providing strategic guidance to the region on housing phasing policy. LPAs had differing perspectives on what this should mean, but in summary their particular requirements for this strategic level input included:
- Guidance, advice and direction on phasing issues/ criteria and development quotas;
  - Providing a framework for the phasing of PDL ahead of greenfield sites; and
  - Sharing examples of best practice.

- 4.43 These LPA's prefer the defining and delivering of phasing policy to be developed at the local level.
- 4.44 32% of LPAs wanted either the RPB to play an active role in defining and delivering phasing policies in the region and those that did not want this level of RPB input. Those that wanted the RPB to play a more active role sought the following:
- A consistent approach through the region with a clear policy steer;
  - Identification of areas where phasing policies would be appropriate and enable LPAs to include these policies in their LDFs;
  - Clear policies to be put in place that resist development that would undermine RSS objectives; and
  - Specify location priorities and control the supply of brownfield land and PDL.
- 4.45 When Table 4.10 is analysed geographically it is the 'Major Urban Areas' and the 'Outer Area Rural' LPAs that have the greatest desire for the RPB to continue with its current strategic role with 100% of MUAs (8 out of 8) and 80% (4 out of 5) preferring this approach. The feelings of the OAR LPAs are more mixed but still fall in favour of continued strategic input from the RPB at 52%.
- 4.46 The above analysis is contradicted by the findings of Qu. 24 which is understandable due to a project of this size where the majority, 74% (25 out of 34 LPAs) felt that future RSS needs to provide specific guidance to LPAs on phasing. The majority of these LPAs felt that this should be achieved through RSS preparing separate policies for sub-regional/ geographical areas e.g. urban/ rural split. A small minority thought that the RSS should just provide strategic policies, whilst a similar number felt that the RSS should create a 'one policy' fits all that would be consistent throughout the sub-region. The residue felt that specific guidance needed to be provided but did not clarify to what extent this should cover. The remaining LPAs felt that it should be the responsibility of the individual LPAs to develop policies that were appropriate for their own area.
- 4.47 When this is analysed geographically its the MUAs that are less enthusiastic for the RSS to provide specific guidance to LPAs on phasing as they feel such phasing policy should be developed at the local level. Only 63% of them think this is appropriate, where this significantly increases in the 'Closer In Rural' LPAs (76%) and again in the 'Outer Area Rural' districts (80%). The other MUA LPAs and the 'Closer In Rural' LPAs and 'Outer Area Rural' areas appreciate the diversity of the region and realise the need for future RSS to provide strategic guidance and develop policies that differentiate between geographical areas e.g. urban/ rural split.
- 4.48 44% (15 out of 34 LPAs) feel that the current RSS provides sufficient clarity (Policies CF3 and CF6) in its guidance regarding phasing to enable policy development. The LPAs that require additional clarity are amongst those that feel that the RPB should play a more active role in defining, delivering and monitoring phasing policy as discussed above. They require future RSS to provide more specific advice in the sub-region that sets, for example targets at District level and guidance on the quantum of development on greenfield, brownfield/ PDL and windfall sites.

- 4.49 Further analysis undertaken at the geographical level of the above findings identifies some key differences of view between authorities. Of the 'Outer Area Rural' LPAs all (100%) feel that the current RSS provides sufficient clarity in its guidance regarding phasing to enable policy development. Similarly the MUAs also feel this, with 63% (5 out of 8) advocates of this approach, but it is the 'Closer In Rural' LPAs that reverse this trend. The majority, 66% (14 out of 21) feel that the current RSS does not provide sufficient clarity.
- 4.50 As a follow on from the above question all LPAs were asked whether they thought it beneficial for future RSS to consider different approaches to phasing for the Metropolitan Urban Areas (MUAs) and the more rural parts of the sub-region in line with the minima and maxima requirements of RSS.
- 4.51 Of the 34 LPAs that responded to the questionnaire 58% (20 out of 34 LPAs) thought that it would, whereas 29% (10 out of 34 LPAs) thought that it would not. As above the core reason as to why LPAs did not feel that this was appropriate was due to the fact that they thought it more appropriate for individual LPAs to develop policies as appropriate to their area.
- 4.52 The reasons behind the majority thinking that this would be beneficial included the following:
- To reflect and acknowledge the many differences between MUAs and rural areas e.g. demand, HMRA, housing hotspots, areas of poor quality, sustainability etc;
  - The problems that some of the MUAs have with sites that are difficult to deliver due to development constraints such as contamination, topography, access etc; and
  - To accommodate RSS aims of regenerating the region and taking into account local distinctiveness.
- 4.53 When the above figures were analysed geographically it was clear that the 'Closer In Rural' LPAs preferred this approach with 78% of those that answered 'yes or no' preferring future RSS to develop different phasing approaches for the MUAs than for the more rural areas. This ties in with the conclusions highlighted in paragraph 4.46 which identified that 74% of LPA's felt that this should be achieved through RSS preparing separate policies for sub-regional/ geographical areas e.g. urban/ rural split. Both the MUA's and the 'Outer Area Rural' areas were undecided on such an approach with an equal split of preference (50/50). As before this was largely due to the fact that they felt that it should be for the individual Local Planning Authorities to develop policies as appropriate for their own area.
- 4.54 When asked whether there should be cross boundary consideration of phasing in the RSS in the future the majority 65% (22 out of 34 LPAs) felt that there should be. The reasons for this included the following:
- Housing market characteristics are not consistent with LPA boundaries as reflected in the HMRA work being undertaken; and
  - To ensure appropriate take up of PDL in urban locations continues in preference to the release of additional greenfield land.

- 4.55 The geographical analysis showed that there was a greater appreciation of the need and benefits of cross boundary consideration in the MUAs (71%) and 'Closer In Rural' LPAs (75%) for the reasons discussed above about ongoing cross boundary initiatives e.g. HMRA Pathfinder. This was less so for the 'Outer Area Rural' areas (50%) but again this could be due in part to these authorities not having required to undertake such a role to date.
- 4.56 As a follow on to the above question LPAs were asked whether they thought that there was a role for sub-regional partnerships in undertaking cross boundary work with regard to phasing. The majority, 62% (21 out of 34 LPAs) thought that there was a role for sub-regional partnerships particularly in relation to housing market characteristics and the HMRA areas. It was also identified as being welcome in areas with a high demand for housing e.g. the Shires bordering the MUAs. Such interaction would help in creating more functional relationships between adjacent LPAs.
- 4.57 This finding could be seen to contradict that identified in paragraph 4.35 which noted that 71% of LPAs are not considering a sub-regional/ or multi-authority approach to phasing. This though could be part down to inconsistencies in completing a questionnaire of this scale.
- 4.58 The LPAs that did not think that there was a role for such partnerships felt that the RSS should set the context but that LPA's should undertake cross boundary consultation with each other as a matter of course and as part of good practice.
- 4.59 Not surprisingly the geographical response to this question mirrored that identified in paragraph 4.51 with the majority of MUAs (71%) and 'Closer In Rural' LPAs (75%) being in favour of such an approach. As previously only 50% of 'Outer Area Rural' authorities through this as a preferred approach.
- 4.60 There was a mixed response to the final question which asked LPAs to identify whether the current RSS Annual Monitoring Report and the Regional Housing Plan's Monitor and Manage Report provided adequate guidance to help the management of phasing at the local level. Of the 22 LPA's that had a view either way 59%, (13 out of 22 LPA's) thought that it provided adequate guidance, whereas 41% thought that it did not.
- 4.61 The geographical split replicated this indecision as the following table indicates:

**Table 4.11: Extent to which the guidance provided in the RSS Annual Monitoring Report and the Regional Housing Plan to help phasing to be managed at a local level is adequate**

	MUA's	CIR	OAR
Yes - adequate	4	7	2
No - inadequate	2	6	1
Don't Know	1	6	0
N/A	1	2	2

Source: GVA Grimley

- 4.62 Those that did not feel that the current guidance was adequate cited the following as reasons:
- More information to be provided at individual District and LPA area;

- Specific guidance be given to LPAs of what and how to monitor; and
- Unsure that the correct indicators are monitored that with suggestions for future monitoring to include:
  - An identification of whether sites that have obtained planning permission/ been developed as a result of phasing policies;
  - The number of dwellings that have been built as a result;
  - The holding back of development in Shire areas, to enable development in other urban areas to comply with RSS policy; and
  - Phasing was related to completions rather than planning permissions given that this relates more accurately to the pipeline housing supply.

## Summary

4.63 The following identify the key factual conclusions from this section of the report. The next section of this report deals in greater depth with the implications of these findings for the RPB and the future RSS:

### LPAs' Current Practice

- 56% of LPAs do not currently have a phasing policy;
- Of those that do the majority of policies are specific to a particular area;
- LPAs that do not have a housing land phasing policy apply the guidance within PPG3 for developing PDL; and
- The principle motivation behind LPAs phasing policies was either the PPG3 directive of developing PDL first or the need to control housing supply. It could be argued that the latter is not truly phasing but a mechanism to allow the breaks to be put on housing supply.

### Effectiveness of Phasing Policy

- 85% of LPAs with a phasing policy feel that it is adequate to meet their housing targets in their current plan;
- 77% felt that these policies provide sufficient direction when planning applications are submitted for residential development;
- 88% of LPAs feel that their current policy delivers the PPG3 sequential approach;
- 74% of LPAs do not feel that their PDL targets are being met through their phasing policies. This doesn't imply that PDL targets aren't being met but just that the phasing policy is not the mechanism that delivers this;

- 65% of LPAs do not feel that phasing policies are providing a steady stream of housing land;
- 80% of LPAs undertake monitoring; and
- 82% of LPAs do not interact with neighbouring authorities on cross-boundary sites.

**Future Direction**

- The majority of LPAs (88%) are considering including phasing policies in their future LDF, which is a vast improvement on the current situation where only 44% currently have a phasing policy; and
- Two similar questions were asked about whether LPA's are considering a sub-regional or multi-authority approach to phasing. The two responses gave inconsistent conclusions with one saying that only 29% are and the other that 69% are. When these are averaged out this equates to approximately 45% which would be consistent with the percentage of MUA's currently having to undertake such activity through HMRA Pathfinders and those that do not.

**Future Role of RPB**

- The majority, 68% of LPAs felt that the RPB should continue its current role of providing strategic guidance to the region on housing phasing policy. This is to include separate policies for sub-regional/ geographical areas e.g. urban/ rural split;
- 44% feel that the current RSS provides sufficient clarity through policies CF3 and CF6 in its guidance regarding phasing to enable policy development;
- 65% of LPAs feel that there should be cross boundary considerations of phasing in the future; and
- 59% thought that the current RSS Annual Monitoring Report and the Regional Housing Plans Monitor and Manage Report provides adequate guidance to help the management off phasing at the local level.

4.64 The next section of the report pulls the key findings from this section together and identifies the future direction of phasing policy in the West Midlands and the role that the RPB will have in taking this forward.

## 5 Future Policy Directions

5.1 This section draws together the analysis of Sections 2, 3 and 4 and then goes on to consider implications for future policy direction at the regional level. It is structured as follows:

- What do we mean by Phasing – Policy v's Practice?;
- Implications from Policy Guidance;
- Implications from Best Practice;
- Implications from the Survey Result; and
- Future Policy Directions.

### What do we mean by Phasing?

5.2 It is worth considering this issue at the outset as it is important in understanding the survey results and how to develop appropriate responses. A starting point is probably the definition in Planning to Deliver which to date is the governments most extensive policy statement on phasing. In Section 1 this document offers the following:

*Planning policy Guidance Note 3 : Housing (PPG3) sets out a new policy direction for the delivery of housing through the planning system based upon 'plan, monitor and manage'. An essential feature of this new approach is the managed release of housing sites in support of the planning strategy set out in regional planning guidance and development plans. By managing the release of sites, local planning authorities can influence not just the location of new development but the type of sites released, the order in which they are released for development, and the timing of that development.*

*Overall, there is a clear expectation in PPG3 that local authorities "should manage the release of sites over the plan period in order to control the pattern and speed of urban growth, ensure that the new infrastructure is co-ordinated with new housing development and deliver the local authority's recycling target."*

5.3 Importantly this talks about the managed release of sites in support of planning strategy. It also stresses that by managing the release of sites local authorities can influence not only location of new development, but the type of sites released. This is reinforced by PPS1 which states that plan preparation and good planning does not stop with the plan but should seek positively to manage good development and not simply control development.

5.4 Taken at face value this suggests that this is more than simply the management of housing supply as a numbers exercise, but one in which positive decisions are made about the merits of different types of sites. As we shall discuss intentions in terms of policy have yet to fully develop at the local level.

5.5 A second element to this debate, which again emerges in the survey work is the context of previously developed land. It should not be forgotten that Planning to Deliver is guidance related to PPG3 and its

policy shift to explicitly favouring development of PDL sites. Again quoting from Planning to Deliver it is possible to see the clear link.

*PPG3 requires local planning authorities to plan to meet the housing requirements of the whole community and provide a sufficient supply of suitable sites to ensure that everyone has the opportunity of a decent home. It also sets out a presumption that previously-developed sites in urban areas should be developed before greenfield sites. Through managing the release of sites local planning authorities can ensure suitable sites are released in a manner that supports these objectives.*

- 5.6 Therefore, planning has an explicit role in achieving development on previously developed land. As the survey results and review of practice reveal this often taken defacto is the local authorities phasing policy, even if it does not explicitly have such a phasing policy.
- 5.7 The third dimension to phasing is one of spatial level. This brief was very much written in the context of understanding practice at a local level and how this might inform guidance at the regional level. However, particularly given the context of current RSS in the West Midlands there is a question raised as to whether regional guidance itself should set phasing policy explicitly at the regional level to ensure balanced housing provision within its plan period and should actively monitor and control such provision.
- 5.8 Our overall conclusion is that phasing policy means something more than housing supply management (although this is an outcome of the process), it implies explicit consideration of the merits of different types of housing sites because of their location or because of their nature. This suggests a geographical bias rather than an approach based on housing numbers alone.

### **Implications from Policy Guidance**

- 5.9 An important issue that emerges from the policy review is the lack of recent guidance on phasing. Planning to Deliver was produced in 2001 and little has been written to develop this since. Our review of recent PPS's provides only limited references to phasing, but much more emphasis on managing housing supply.
- 5.10 Looking wider there are two possibly contradictory themes emerging in government policy which will influence phasing.
- Sustainable Development; and
  - Housing Growth.
- 5.11 Sustainable development is at the heart of the planning system. Indeed it is enshrined within PPS1. The need for additional housing growth as set out in the Barker Review and Sustainable Communities Plan seeks to reconcile this against the need for housing growth to promote labour supply to support economic development and avoid constraints on economic growth. There are tensions between these two differing objectives which are currently the subject of debate in the context of the South East housing plans.

- 5.12 Whilst these two differing policy thrusts might be viewed as an issue for the South East alone the development of city regions and mini growth areas are emerging themes in the West Midlands where maximising housing supply will be an important component.

### Implications from Practice

- 5.13 Our assessment of best practice revealed that very few authorities have to date taken the concepts of phasing policy in Planning to Deliver through to practice. Where this has happened it appears to be a result of coincidence rather than a positive choice to utilise the guidance. A lot of what emerged could be described as good housing supply management but not positive phasing.
- 5.14 We have also explored recent RSS/Sub Regional Strategies to see if the most recent practice provides anything new. The very recent East Midlands RSS provides guidance to groups of authorities on housing numbers. The Milton Keynes Sub Regional Strategy provides housing targets for the six main towns/ cities within the Sub Region. It suggests that provision is encouraged within the main urban areas, including sustainable urban extensions that are well served by public transport. It also suggests that housing growth in the six main towns/ cities to 2021 will be monitored against the provision of employment growth. This provides an interesting potential development of phasing policy. Part B of the strategy gives growth targets for each of the sub-areas broken down into five-year periods.

### Implications from the Survey Results

- 5.15 **The use of phasing policies** in the West Midlands is certainly not comprehensive and when this is examined further most of what is called phasing policy is more phasing of overall supply than more explicit phasing of different locations. In addition, **prioritising previously developed sites** simply following PPG3 is another key driver.
- 5.16 **The role of windfall sites** particularly in the 'Major Urban Areas' emerged during follow up discussions. Many of the MUA authorities rely upon windfalls as a major element of housing supply in such cases it could be argued phasing policy becomes difficult to adhere to.
- 5.17 **In terms of the effectiveness of phasing policy**, whilst no clear pattern emerges it would appear that the adequacy of phasing policy is more of a challenge in remote areas with less pressure. This is not surprising as the planning system is at its most effective in guiding development, but weaker where such development pressure is weak or non-existent. This may have important implications to the linked work that we are undertaking on affordable housing policy.
- 5.18 **As to the future direction of phasing policy**. Local authorities acknowledge that phasing is likely to become a stronger feature through the LDF process. Multi local authority working does not feature as a way forward from the survey.
- 5.19 The emergence of housing pathfinders does appear to be giving considerations to geographical phasing within LPA areas. On one hand this may grow as rural pathfinders are established; on the other the extent of housing priority is spreading across much of the MUA as potential pathfinder style approaches are considered in the Black Country/Telford and the Eastern Corridor Birmingham/North Solihull. This may weaken the desire to give phasing priority to one area or another.

- 5.20 **In terms of what the RPB should provide**, there was a clear preference for a strategic lead in terms of housing supply numbers, providing support/guidance on phasing previously developed land and sharing best practice. This reflects the traditional role of a strategic planning authority. Few authorities supported a more interventionist approach defining phasing policies at a say sub-regional level. Geographically it is the near shire ('Closer In Rural' LPAs) authorities that feel the most need for guidance from the region.

## **Future Policy Directions**

- 5.21 Our advice on future policy directions is structured around the brief which asks the following key questions.

### **(i) Local Phasing Policy**

- Is there a role for phasing policies in LDDs to manage the release of sites at a local level within the West Midlands Region in order to deliver the housing policies in RSS 11?
- If so, is there a need for phasing policies in particular across the board? And do they need to be consistent across areas?
- What types of phasing policies are appropriate?
- Would different types need to be applied to different areas?
- Are there alternative approaches to phasing to manage the delivery of housing land at a local level? Criteria-based approaches/ranking/anything else?

### **(ii) The role of the Regional Planning Body in providing advice to local planning authorities on the use of phasing policies.**

- Is there a role for the RPB to provide advice to LPAs on phasing policies?
- If so, how should this be implemented? West Midlands Good Practice Guide/targeting of non-conforming (to the RSS) authorities as part of the conformity process.

### **(iii) The use of phasing policies at the regional level**

- Is Policy CF6 of RSS 11 adequate or is there is a need to review phasing policies in RSS 11 as part of the Partial Review.

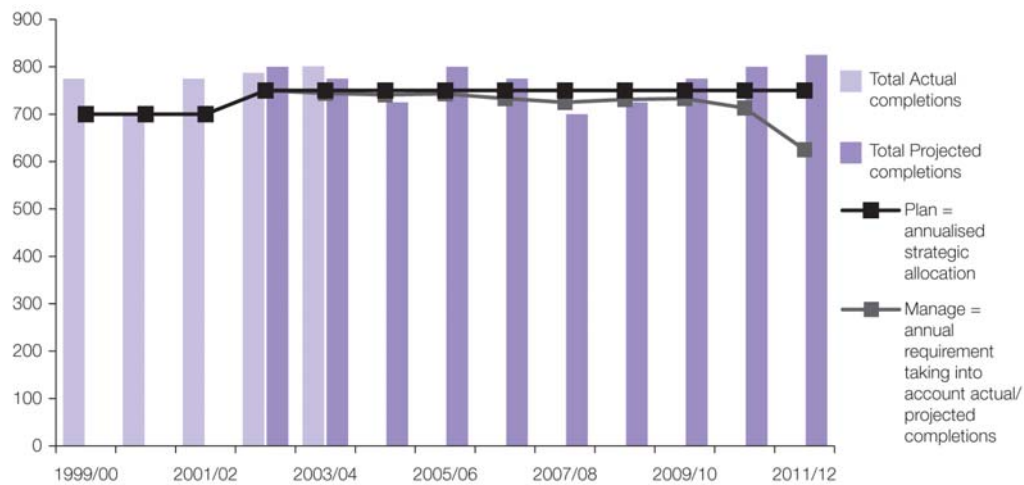
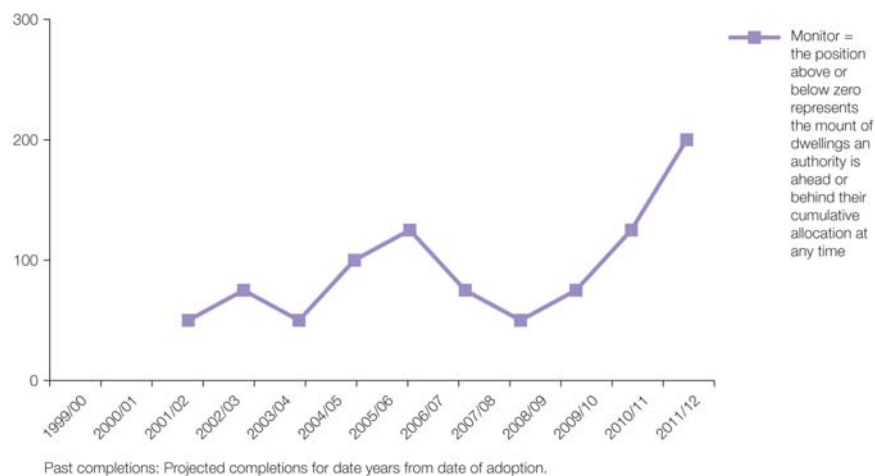
- 5.22 Each of these is addressed below:

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### **The role of planning policies in LDD's to manage the release of sites at a local level to deliver housing policies in RSS 11**

- 5.23 Properly defined phasing policies would be a means by which sustainable development patterns can be promoted at regional and local level. PPS1 makes the point that sustainable development does not stop at the plan and should be positively managed. This provides the context for phasing policy at the local level.
- 5.24 In developing phasing policies there are two important aspects to consider:
- (i) Developing a sustainable pattern of housing development; and
  - (ii) Ensuring that the overarching spatial strategy for the region is delivered by reversing past housing completion trends to favour the 'Major Urban Areas', thereby reversing past trends of decentralisation.
- 5.25 A sustainable pattern of development is appropriate to all planning authorities. The introduction of Strategic Environmental Assessment places a requirement on LPAs in preparing LDD's that initial options and preferred options are assessed in terms of their overall sustainability. One area this can be applied to is housing options. This becomes all the more important as those 'Closer In Rural' authorities formerly coping with decentralisation are faced with reduced requirements for housing. Directing this growth when housing need probably outstrips supply is a challenge.
- 5.26 There is also an important role here in terms of the implementation of the Regional Spatial Strategy. As we shall discuss below the Regional Spatial Strategy and the pattern of spatial development implied by this must provide the context to local decisions on sustainability. Take for example a large brownfield site in a closer rural area; whilst its development at a local level would be considered sustainable it could also appear to be contrary to the Regional Spatial Strategy. If allowed to proceed there would not be a sustainable pattern of development for the region as a whole (this is already accepted in the latest revisions to paragraph 42 of PPG3). Planning policies should be developed at a regional level which address this by:
- (a) Providing specific guidance on the development of phasing policy;
  - (b) Setting out clear guidance as to the context upon which patterns of sustainable development should be judged; and
  - (c) Provide a clear mechanism linking LDD policies back to the Regional Spatial Strategy and its housing targets.
- 5.27 As regards (c) the developing approach to monitoring of LDDs provides a mechanism by which a clear link to the RSS can be established through the use of housing trajectories. This could be included in revisions to policy CF6 of RSS.
- 5.28 PPS12 (para's 4.45 and 4.49) sets out the key requirements of the review and monitoring of LDD's to include:

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- (a) An annual monitoring report (to be submitted to the Secretary of State) to assess::
- The implementation of the local development scheme
  - The extent to which local development documents are being achieved
- (b) The review of LDD's in the light of the monitoring report; and
- (c) The development of monitoring policies.
- 5.29 One of the key local development framework indicators that authorities are required to produce by virtue of Regulation 48 (7) is a housing trajectory. A robust housing trajectory should:
- Set out the past and anticipated supply of housing over the entire life-span of a development plan document or an old style Local Plan or Unitary Development Plan;
  - Assess any future shortfall or surplus of housing over the plan period by comparing this to planned build rates. On this basis, authorities can then review housing policies to ensure the delivery of the required amount of housing;
  - Reflect the outcome of discussion with stakeholders, including the development industry; and
  - Demonstrate how the plan will deliver the policies relating to housing provision. This will be important in clarifying the delivery mechanisms of the development plan document which will be part of the test of whether it is sound (one of these could be its phasing policy).
- 5.30 Housing trajectories can be included either within the core strategy or a site allocation development plan. An example is given below:

**Figure 5.1 Housing Trajectory****Figure 5.2 Housing Trajectory (continued)**

5.31 Creating Local Development Frameworks – A Comparison Guide to PPS12, and PPS12 itself set out the need to review LDFs continually. The comparison guide sets out the factors that will effect the type, extent of timing and revisions to local development frameworks. One of these is progress on implementation reviewed through the annual monitoring report and specifically includes the following criteria to justify a review:

(iii) *Pace of progress – unexpectedly slow or rapid progress against allocations or key targets e.g. housing allocations as shown in housing trajectories.*

5.32 PPS12 Appendix B sets out information on the predicted housing trajectories. It states that, a specific use of these as an influence on the delivery of major sites and phasing requirements.

- 5.33 It is clear therefore that the annual monitoring report and the use of housing trajectories are a key means of controlling housing supply and thus phasing.
- 5.34 The implication is clear by developing phasing policies for housing sites which use criteria or ranking approaches LPAs can continually review and bring forward/control development of housing sites to meet the allocations set out in the RSS, using housing trajectories as a means of monitoring progress.

**Is there a need for phasing policies in particular areas or across the board. Do they need to be consistent across areas?**

- 5.35 Phasing policies are of relevance to all authorities. However they are critical to the implementation of the regional spatial strategy for three groups of authorities:
- (i) Major urban area authorities;
  - (ii) 'Closer In Rural' authorities experiencing housing pressure; and
  - (iii) Sub regional foci.
- 5.36 (ii) and (iii) can often be combined. Whilst the evidence base on intra regional migration (see Regional Planning Guidance Plan Monitor Manage 2003 Tables 4.7 and 4.8) could be improved by greater spatial disaggregation of the data, it is evident that housing markets in Warwickshire, Worcestershire and Staffordshire are more related to the MUAs than Herefordshire and most of Shropshire (extending Telford and Wrekin, Shrewsbury and Atcham and probably Bridgnorth). In terms of Housing Market Areas this suggests that the Central, Northern and South Market Areas are key, but for the most part the West is of less critical importance. Therefore, we would argue these authorities with a closer housing market relationship to the MUAs are crucial to the delivery of the RSS.
- 5.37 Whilst the emphasis on phasing policies may change from MUAs seeking to identify additional capacity, to 'Closer In Rural' authorities seeking to control supply to prevent completions running ahead of target, there is no reason why phasing policies should not apply to both. Within the MUA's phasing policies could be used to support the housing market renewal pathfinders by controlling development on their periphery (sensibly this would require housing trajectory work to be capable of disaggregation to Pathfinder level and be able to be used across LPA boundaries).

**What types of Phasing Policies are appropriate?**

- 5.38 The Best Practice Review has identified relatively few examples of phasing policy. Approaches vary between criteria based approach and site ranking. Linking the use of housing trajectories and a criteria based approach such as used by Bedford Council seem to be appropriate. The use of a proto type housing trajectory is perhaps best illustrated by the work of Braintree District Council (see para 3.36) however this is likely to be updated by developing practice in the use of trajectories in the light of PPS12.

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**Would different types of policy need to be applied in different areas?**

5.39 Whilst the emphasis of the phasing policies may be different and in some circumstances include specific references to different parts of an individual LPA area (i.e. to accommodate a Pathfinder Housing Market Renewal Area), the policy should not vary significantly from the basic structure of:

1. Housing trajectory to monitor and project supply on an annual basis;
2. Allocations based upon a criteria approach with ranking on a sustainability basis; and
3. LDD policy/SDD which links 1 and 2 as a means of phasing housing supply and which enables windfalls to be taken into account. This would include a clear linkage between performance in terms of the delivery of allocated sites, and windfalls and the need to bring forward additional sites.

**Are there alternative approaches to phasing at a local level?**

5.40 Whilst we believe the proposal set out above provides the most effective approach to phasing it would be possible to use a ranking of sites as part of a phasing policy. The difficulty with ranking or an alternative based upon allocated sites is that it is more difficult to add in additional sites as they come forward and rank these without a criteria based approach.

**Is there a role for the RPB to provide advice to LPA's on phasing policies?**

5.41 In our view there is a need for the RPB to provide guidance and advice to LPAs on phasing policy. To effectively manage regional housing supply in accordance with the RSS requires a more sophisticated approach to housing allocations than utilised in the past. The tools to do this are available or are being developed in the form of housing trajectories, which when linked to local phasing policies provide an effective local means of phasing housing supply. This would be of benefit to both the region and individual authorities in linking on a continual basis RSS housing allocations to LDDs and avoiding the need for continual reviews of LDDs and potential conflict that could surround this in terms of conformity.

**How should this be implemented?**

5.42 There are three areas here:

- (i) Advice on best practice and guidance;
- (ii) The development of the annual monitoring approach; and
- (iii) As a last resort use of the conformity process for both LDD's and major planning applications.

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### Best Practice Advice

- Advice and guidance to LPAs will assist the implementation of any policy contained within the revised RSS. Guidance should provide examples of the development of housing trajectories, examples of local phasing policies and advice on linking the two aspects through policy.

### Annual Monitoring

- The Annual Monitoring Report. As discussed above the annual monitoring report for LDDs is a requirement as set out in PPS12. Housing trajectories form part of this process. This in our view provides a means on an annual basis of assessing progress on the phasing of regional housing supply. Unlike the current thrust of RSS we do not believe a sub-regional approach is appropriate in terms of initial data which should be at local level and then amalgamated up to Housing Market Area/Sub Region. We see benefit in the development of a review process by the RPB which is a development of the current Plan Monitor Manage Report which uses LPA Housing Trajectories as a means of flagging up potential future issues in terms of either excess supply or shortfalls. Comments could be provided by the means of flagging up to LPA's the RPB's concerns if an individual LPA appears either to be over providing or failing to meet targets. Whilst this should not be viewed as a means of interfering in individual LDD's it could assist as an early warning system.

### The Conformity Process

- The use of Conformity Procedures. We believe that (ii) above provides an approach designed to remove conflict from the plan preparation system where possible. In the absence of co-operation from individual LPAs on the use of annual monitoring reports the RPB can remind LPAs that Housing Trajectories are a means of judging whether LDD's require review. Significant shortfalls or over provision should be a basis for review.
- Once an LDD review is triggered, the RPB using its analysis of housing trajectories can meaningfully comment on the appropriateness of revised LDD policy.
- Finally, it is also important to flag up the RPB's role with respect to development control decisions. The proposed Development Planning Conformity Protocol suggests that the following housing allocations would be regarded as regionally significant:
  - In rural areas 10 or more residential units on greenfield sites;
  - In 'Major Urban Areas' applications of more than 150 units on greenfield sites; and
  - In the sub regional foci applications of 50 residential units or more on greenfield sites.
- These seem reasonable, but ignores that significant applications on brownfield sites outside the MUA's could, if approved, be contrary to the achievement of the Regional Spatial Strategy (this is also considered in paragraph 42 of the revisions to PPG3). We would suggest that applications for more than 100 dwellings, even if they are on brownfield land, outside the MUA's should be considered as regionally significant.

## The use of phasing policies at the Regional level

- 5.43 Policy CF6 of RSS 11 is the current basis of phasing policy the current text is set out below:

### POLICY CF6: Managing housing land provision

- A. Development plans should incorporate policies which:
- i) allow for the managed release of new housing land, so as to secure the development of previously developed land and conversions taking account of the need for any new infrastructure and ground preparation; and
  - ii) take account of potential housing land provision and the policy framework in adjoining local authority areas so as not to undermine urban renaissance in other districts.
- B. Development plans should include measures to manage the release of housing land in a manner consistent with the implementation of the Spatial Strategy of RSS and at the rates set out in Table 1.

In managing the release of housing land local planning authorities should have regard to the advice in "Planning to Deliver" in determining the most appropriate approach for their area.

The RPB will monitor permitted supply and demand on a sub-regional basis and provide an opportunity for the results to be discussed with other stakeholders at an annual seminar. The seminar will address the qualitative and quantitative impacts of the housing developments on the delivery of the Spatial Strategy.

The RPB will then issue advice to local planning authorities on whether there need to be any short-term changes in supply in particular areas to reinforce the Spatial Strategy. The RPB should also comment on the extent to which any policies may need to be reviewed or more strongly enforced.

The results of this monitoring process will also inform any decision on the need for a review of this RSS.

- 5.44 In the context of the partial review of RSS to form a Regional Spatial Strategy it is likely that enhanced guidance will be required. A key function of this and other sustainable communities policies will be the operation of the plan monitor manage system and the link through to housing trajectories as required by PPS12.
- 5.45 In developing Policy CF6 it is important to consider existing guidance in the form of PPS11 Regional Spatial Strategies, and the related Monitoring Regional Planning Guidance.
- 5.46 Monitoring Regional Planning Guidance emphasises the importance of an objectives led monitoring approach. In doing so it stresses that the first stage of the delivery of RSS objectives is through the inclusion of appropriate policies in development plans, local transport plans, etc. This requires process targets which should, on the basis of this guidance, be contained either within RSS policies or at the end of the relevant RSS Chapter. These should set out what LPA's should do and by when. By this we mean the establishment of housing trajectories, monitoring reports and explicit consideration of phasing policy.
- 5.47 In terms of general Policy PPS11 sets out that policies in the RSS will need to be sufficiently detailed to provide clear guidance for LDDs/LTPs but should strike the balance between what it is appropriate to

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provide as a clear strategic framework, whilst avoiding unnecessary or inappropriate detail. PPS11 (paragraph 1.5) makes it clear that RSS should provide specific housing allocation figures for each district (and if necessary for particular settlements).

- 5.48 Taken the above into account, it is our view that Policy CF6 is revised and should:
1. Provide a clear statement that LPAs should actively manage housing supply having due regard to housing allocations (set out elsewhere) and regional sustainable development patterns;
  2. That LPAs should utilise housing trajectories and annual monitoring reports as required by PPS12 as means of managing housing supply by the appropriate use of phasing policies which should include transparent criteria for assessing the merits of individual sites (including windfalls); and
  3. As is currently the case specific reference should be made to taking into account impacts of housing land provision on adjoining districts. However, this should be reinforced by a more explicit statement that choices about sustainable development at a LPA level should have explicit regard to the Regional Spatial Strategy and when in doubt it is the RSS that has supremacy.
- 5.49 The explanatory text should then set out advice that active management of housing supply is of greatest importance in those authorities within the north, central and south housing market areas together with any sub regional foci lying outside these. To this could be added that the RPB will look closely at these authorities and their policies to actively manage/phase housing supply.
- 5.50 The explanatory text should then cross reference to guidance on the use of housing trajectories in PPS12 and elsewhere and the way in which this should be used to manage housing supply and trigger reviews of LDDs. In addition, we would suggest that reference is made to a good practice guide to be produced by the RPB on the managing and phasing of housing provision.
- 5.51 The references to monitoring should be broadened to include references to the annual monitoring reports of RSS, to include that the RPB will take a close interest in LPA housing trajectories and annual monitoring reports to ensure proper management of housing supply.