

Town Centre Housing

Supplementary Planning Document

Adopted May 2008



STOCKPORT
METROPOLITAN BOROUGH COUNCIL

城市中心房屋

Prowiant/zakwaterowanie w centrum miasta

টাইন সেন্টারের ঘরবাড়ি

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1 Introduction

This Draft Supplementary Planning Document (SPD) has been prepared to provide guidance on the operation of policies with regard to residential development in the town centre. The area defined as 'town centre' for the purposes of this SPD is shown in Appendix B 11 'Area of Operation'.

The SPD provides guidance expanding on the policies of the Adopted Unitary Development Plan Review (May 2006). The SPD does not have the same status as a development plan but, once adopted, will be a material consideration in the determination of planning applications.

The SPD is intended to complement, rather than duplicate, other planning documents, thus defining the Council's approach to proposals for residential development within the town centre, with particular reference to encouraging housing and facilitating new residential development upon often marginal sites, with a reduction in current planning requirements.

Other planning documents will need to be read in conjunction with this SPD. Those planning documents currently in use within Stockport, and a timetable for the adoption of new documents, are set out in the Council's adopted Local Development Scheme (LDS). Stockport's Adopted UDP Review is central to the determination of all planning applications and covers a wide range of topics which are relevant to development in the town centre area in addition to residential considerations, including retail uses, the historic environment, design, etc. A number of other key documents are listed below:

Affordable Housing SPG (February 2003)

The document provides advice on how to include affordable housing in development schemes and the various mechanisms for securing affordable housing.

Recreational/Open Space and Commuted Payments SPG (July 2006)

Prepared in order to explain further the operation of Policy L1.3 (Provision of Recreation and Amenity Open Space in New Developments), the guidance helps prospective developers to establish their responsibilities and incorporate their requirements into their development proposals.

Sustainable Design and Construction SPD (May 2006)

The SPD highlights adopted policies that encourage more sustainability in the built environment, ranging from encouraging energy and water efficiency, appropriate use of materials, protection and enhancement of biodiversity and renewable energy. The document gives further information and guidance on how these policies can be met in practice.

Sustainable Transport SPD (December 2007)

Having regard to sustainable transport in Stockport, the document is designed to help developers understand the full range of possible interventions for the mitigation of effects of additional traffic that can result as a consequence of new development.

Design of Residential Development SPD (December 2007)

The SPD provides applicants with a clear indication of the Council's expectations for high quality inclusive design. It raises awareness of good design principles and practice to help and inspire the submission of quality schemes that make a positive contribution to the townscape.

Town Centre Masterplan SPD (June 2006)

The document aims to provide guidance regarding the implementation of the Stockport Town Centre Masterplan (Future Stockport), approved in February 2005, providing a development framework and vision for investment and regeneration.

2 Background

In 2000, the Council adopted the “Gateway to the Future” Regeneration Strategy as its overall strategy to guide the comprehensive regeneration of the M60 corridor and town centre, outlining a 20 year vision for the physical, economic and social evolution of the area. This was updated in February 2007, with an Interim Review of the 2000-2020 Regeneration Plan for Stockport Town Centre and M60 Gateway.

The review identifies the need to continue to create the right conditions to deliver improvements required for the development of a ‘well equipped’ town centre. Promoting high quality urban living that will create a living heart for the town centre and re-populate the area with a balanced community:

Priority 1

Promote development and investment to maximise the economic potential of the town centre and M60 gateway area.

The housing element of the regeneration strategy (“Gateway to the Future”) has been successful in meeting its mid-term target for the creation of 200+ new homes by 2008, two years early. However, it is important to carry this forward in order to further facilitate the regeneration of brownfield sites in the town centre, encourage the use of vacant land / properties and provide housing in the most accessible location. Ensuring a balance of tenures to create a diverse community also remains a priority.

The “Future Stockport” Town Centre Masterplan (Feb 2005) echoes the regeneration strategy’s aspirations to increase the number of people living in the area and looks forward to the creation of 1,000 new homes.

3 Impact of Existing SPG

Adopted in October 2003 and updated 3 years later, the current Town Centre Housing SPG introduced provision for the relaxation in the Council's approach to affordable housing, children's open space provision and transportation requirements within the town centre area. This effectively directed developments to provide 50% of the requirement as outlined in the UDP Review.

A review of housing development October 2007 shows that the relaxed approach appears to have had a significant benefit in aiding and encouraging development in the town centre area. Figure 1 'Number of units granted permission in the Town Centre since 2000' (below) shows a marked increase in housing units granted permission in the period following the adoption of the SPG (2004 on).

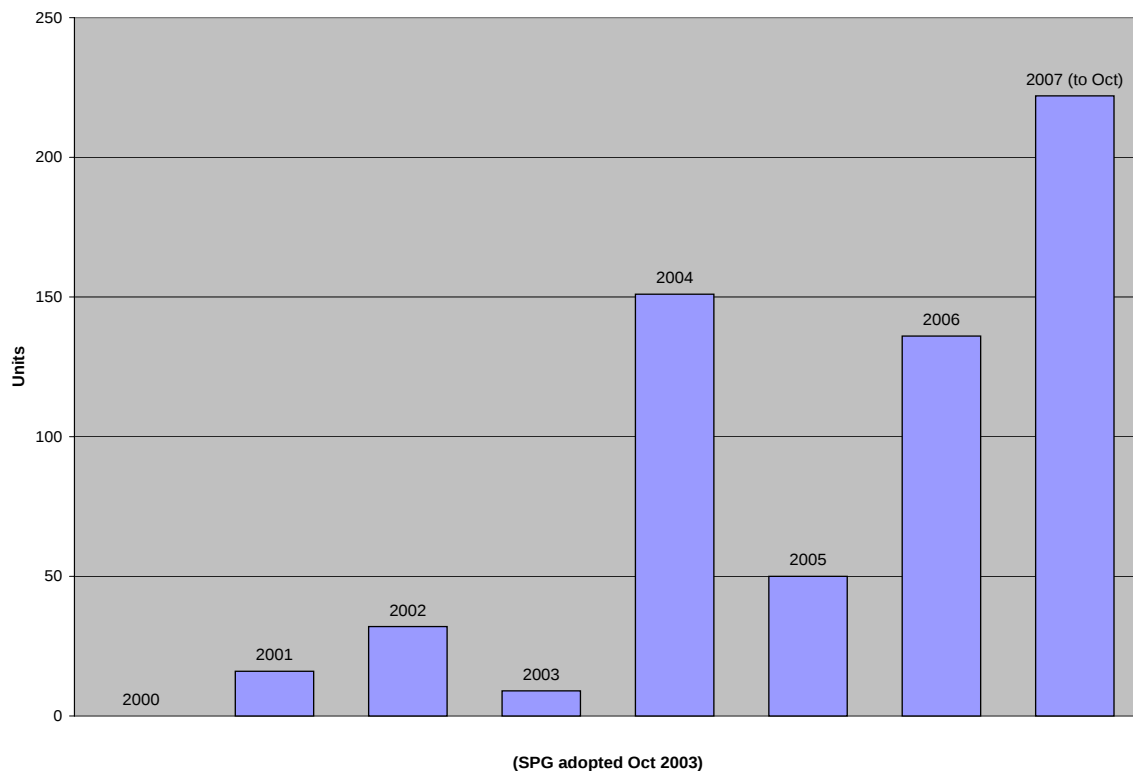


Figure 1 Number of units granted permission in the Town Centre since 2000

On the ground this has also meant an increase in the number of actual completions & units under construction following the adoption of the SPG (e.g. SK South 101 units, Wellington Street 22 units, the Citadel 14 units & Royal Oak Brewery 51 units).

Under the relaxed policy approach, of the 127 completed units, 23 units were still provided as affordable housing. Whilst in line with the local open space requirements 2 LAPs were provided on site, together with commuted sums totalling in excess of £120K.

3 Impact of Existing SPG

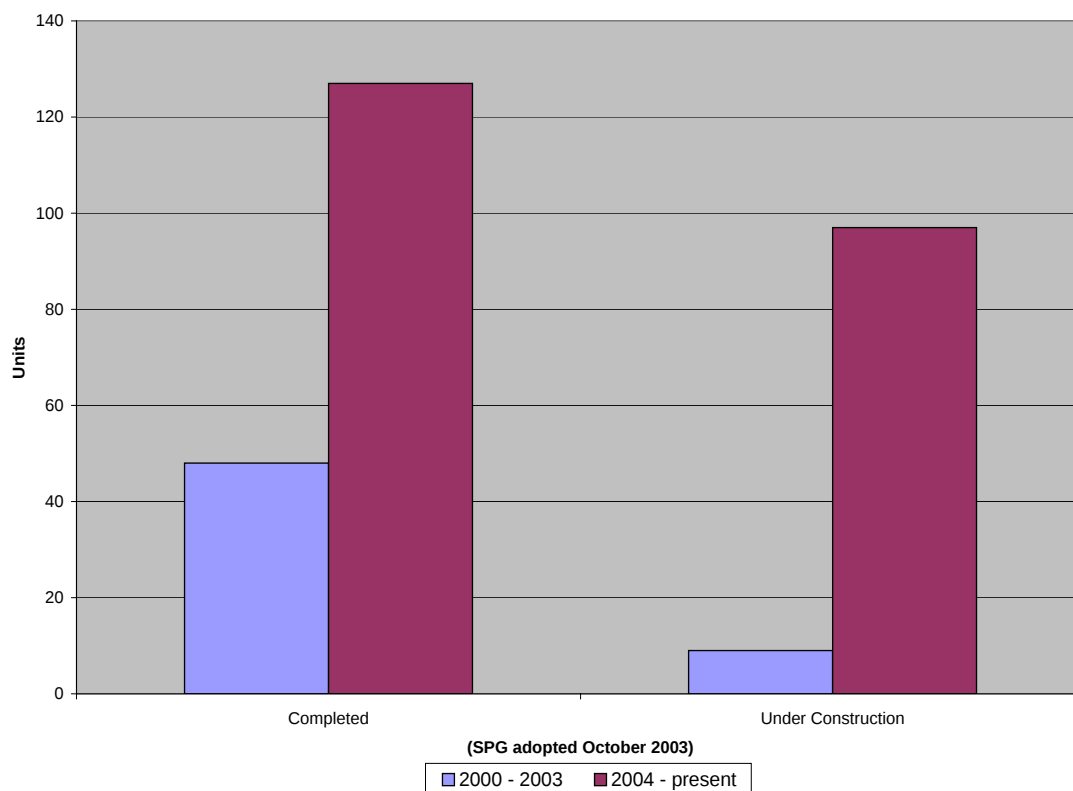


Figure 2 Illustration of the number of units actually completed/under construction before and after the SPG

The number of units granted planning permission awaiting development is also significant. During the approx. 4 year period since the adoption of the SPG an additional 335 units have received planning permission or been minded for approval subject to s.106 (e.g. Manchester Antiques 74 units, Greenhale House 155 units & the Rock Building 27 units).

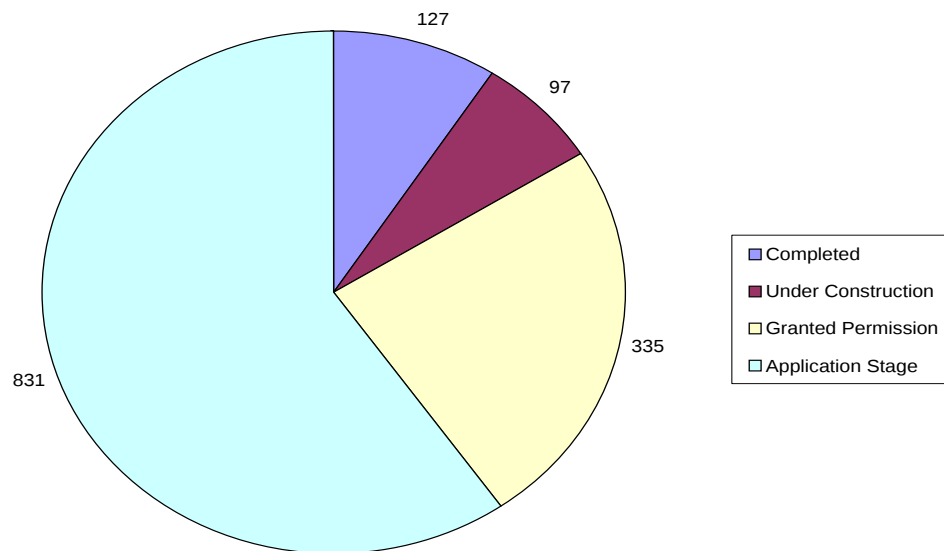


Figure 3 Chart showing the status of new housing units following the adoption of the SPG

However, it is the high level of housing at planning application stage, as shown in the diagram above (Figure 3 'Chart showing the status of new housing units following the adoption of the SPG') which potentially could be affected by a change in policy. In total some 831 units are at application stage including major schemes like Hopes Carr (375 units), Grand Central (200 units) and Edward Street (65 units) and care is required in reviewing the current approach for the new SPD if the Council is to strike a balance between pursuing its regeneration aims and meeting need.

A further 550+ units are also estimated to be in the potential pipeline, with major schemes like Fletcher Street, Crowther Mill, Wear Mill and Bridgefield all at various stages of the planning process.

4 Objectives

A broad objective of the Regeneration Strategy is to:

- Create a good range of new housing and diversify the tenure balance;
- Promote well designed housing, which can improve the quality of urban space and enhance townscape character;
- Develop the urban village concept;
- Identify new sites for housing;
- Encourage the conversion and re-use of vacant under occupied properties for housing; and,
- To encourage new housing provision as part of mixed-use development.

More specifically, the Council wishes to promote town centre housing in order to:

- Help increase the overall demand and utilisation of the town centre generally, including retail and service provision, and in particular bringing new life into the town centre in the evenings, and increasing the utilisation and demand for evening activities, including theatres, cinemas, leisure facilities, restaurants and cafes;
- Help improve safety and reduce fear of crime by increasing surveillance and general activity;
- Help improve the take up and utilisation of vacant / derelict land and buildings, including vacant accommodation over shops and historic buildings;
- Encourage environmentally sustainable housing development; and,
- Help provide a balanced community through the provision of both private and social housing.

The provision of good quality town centre housing will help the Council meet its objectives in a sustainable manner.

5 Planning Policy Context

The national planning framework for the development of housing is set out in Planning Policy Statement No.3 (PPS3) “Housing”, published by the Department for Communities and Local Government in November 2006. This includes advice to local planning authorities on ways in which new housing can be well designed and makes a significant contribution to promoting urban renaissance and improving the quality of life.

In addition, Planning Policy Statement No.6 (PPS6) “Planning for Town Centre” confirms the Government’s key objectives of promoting the vitality and viability of town centres and delivery of sustainable patterns of development. PPS6 also requires local planning authorities to adopt a proactive approach to planning for town centres.

At a regional level the Regional Spatial Strategy for the North West of England is currently in preparation. However it is reasonable to assume that development will be encouraged in sustainable locations and that development should occur, where possible, in and around town centre areas. The Regional Economic Strategy identifies the need for improvement and development of the housing stock, in particular highlighting the need for new housing in locations which support regeneration and knowledge-based economic development in order to support sustainable economic growth. The Regional Housing Strategy notes there is a need for high quality and diverse housing stock and which is affordable to local people.

Stockport Council’s own planning policies relating to residential development and to development within Stockport town centre are contained within the Adopted Stockport Unitary Development Plan (UDP) Review. The Plan indicates that Stockport town centre’s sub-regional shopping role will be protected and enhanced, identifying a central shopping area where new retail development will in principle be permitted. A number of areas are also identified within the town centre where a mix of uses may be appropriate including new residential development. In addition, planning policy requires developers to carry out a Flood Risk Assessment (FRA) for any development within flood risk areas shown on the UDP Review Proposals Map.

The adopted UDP also contains a variety of policies relating to affordable housing, open space and transportation, which impact upon proposals for new residential development throughout the borough. It is the specific application of these UDP policies within the town centre, which are addressed in more detail in the following chapter (6 ‘Policy Considerations’).

6 Policy Considerations

6 Policy Considerations

Affordable Housing

It is clear from the 2001 Census that the town centre has an abnormally high percentage of rented accommodation compared to the rest of the Borough and ensuring a more balanced range of tenures remains a priority:

Tenure	Town Centre	Stockport
Rented Accommodation	75	22
Owner Occupied Accommodation	25	78

Table 1 Tenure based on number of households (as a percentage)

However, it is important not to mistake affordable housing as social rented accommodation. The Council's affordable housing policy provides shared ownership homes for people on moderate incomes, usually first time buyers. It is more than likely that in the town centre this would mean affordable flats, contributing to increased owner occupation within the area (the only difference being the occupier owning 40% or more, as opposed to 100% of a market property). It should therefore be acknowledged at the outset, that to create a more sustainable mixed tenure community the affordable housing requirement in the town centre will be for shared ownership homes (not social rented), with people ideally being able to increase their share of ownership by the process of 'staircasing'.

Policy HP2.1 "Provision of Affordable Housing" requires housing developments of 15 or more dwellings, or residential sites of 0.5 hectares or more, to provide affordable housing. Where residential schemes reach these thresholds the Council negotiates to achieve 35% of the total dwellings as affordable housing units on suitable sites. Alternatively, in exceptional circumstances, an off-site financial contribution may be sought. In February 2003 the Council approved supplementary planning guidance on "Provision of Affordable Housing", which sets out detailed procedures for the implementation of the policy.

To strike a balance between successfully pursuing the aspirations of the regeneration strategy to promote town centre living and meeting affordable housing need, it is proposed that whilst the site thresholds remain as elsewhere in the borough, the Council's current relaxation in policy within the town centre is continued.

In considering residential applications for the town centre the supplementary planning document therefore continues to advocate a reduction in both on-site and off-site affordable housing requirements by 50%, with the Council negotiating to achieve 17.5% affordable housing provision on-site provision within the town centre and 21.2% in the event of off-site provision.

N.B. Where off-site provision of affordable housing is accepted, it will need to be linked to provision on another site within the town centre as defined in 11 'Area of Operation' (Appendix B). The higher requirement of 21.2% recognises that developers proposing affordable housing off-site are

able to sell more market price houses on site and thus ensures that the level of affordable housing provision is set at the same that it would have been had the development been entirely on the same site. A fuller explanation can be found in the Affordable Housing SPG. However, the following example illustrates how the calculation works:

Number of units on the main Town Centre development site = 250

Affordable units provided elsewhere at 21.2% = 53

(compared with 17.5% on-site provision of 43.75 units)

Size of combined Town Centre development (250 + 53) = 303

Proportion of Affordable provision therefore remains at 17.5%

(303 x 17.5% = 53 units)

Given the complexities and difficulties often associated with development in the town centre, to help bring forward town centre housing development on the ground, the SPD also encourages further flexibility through:

- a willingness to consider one bed affordable properties, alongside two bed properties, in order to assist the viability of schemes.

When negotiating with applicants, the Council will take into account the types of shortages outlined in the latest Stockport Housing Needs Assessment. The Council's preference for two and three bedroomed units will not be as rigorously pursued in the Town Centre. However, if the majority of a development provides two bedroomed properties then at least half of the affordable properties should also have two bedrooms.

In addition, the Council would provide encouragement for leasehold management arrangements to help developers use Registered Social Landlords (RSLs) for the long term maintenance of buildings.

Open Space Provision

Under the Natural Environment and Communities Act 2006, the Council has a duty to conserve biodiversity and recognises the importance of biodiversity in developing locally distinctive and sustainable communities. In addition green infrastructure has a key role to play in encouraging positive socio-economic outcomes. Local policies are in place requiring the development of open space in connection with residential development.

Policy L1.3 "Provision of Recreation and Amenity Open Space in New Developments" sets out the requirements for new residential developments to provide recreational and amenity open space. There is no minimum threshold against which this policy applies, although, the scale of the provision does vary according to the size of the scheme. As much as possible of the open space is generally expected to be located within or adjacent to the development although if there is no practical alternative, the Council will allow some or all of the provision to be made off site or through contributions to improve provision elsewhere. In February 2001 the Council published supplementary planning guidance "Recreational / Open Space Provision and Commuted Payments" which sets out the implementation of the policy. This was updated in July 2006 to reflect the policy changes in the UDP Review and inflationary price changes between February 2001 and July 2006.

6 Policy Considerations

Here again, it is considered that there are particular characteristics associated with town centre living, which suggest that a modified approach to considering open space requirements is necessary. For example, the priorities for new or improved local open spaces are likely to differ from suburban areas, with potential to improve public realm and local open space in imaginative ways which can provide attractive facilities for all users of the town centre including workers, visitors and residents.

In recognition of these characteristics and the Council's wish to promote town centre housing and urban regeneration, the supplementary planning document continues to identify a relaxation in planning requirements for children's play space, with the Council applying a 50% reduction in children's play requirements inside the town centre. At which point, an assessment could then be made as to the level of on-site provision required on an individual site basis.

It should be noted however, that in recognition of the fact that occupants of town centre units would continue to place extra demand upon the already limited formal recreational facilities within the borough, contributions towards formal open space remain unaltered.

Transportation Requirements

The adopted UDP contains a number of transportation policies of direct relevance to the consideration of town centre residential development proposals. These include

TCG1.2	Town Centre / M60 Gateway Transport Hub
TCG1.3	Parking in the Town Centre
TCG1.4	Sustainable Access in the Town Centre / M60 Gateway
TCG1.5	Impact on the M60 Gateway
TD1.4	Parking in Developments
TD1.5	Safety and Capacity on the Highway Network

Table 2 UDP policies of direct relevance to the consideration of town centre residential development proposals

The Council has also adopted a supplementary planning document on "Sustainable Transport" (December 2007), which provides guidance on provision for transport and travel within developments.

Furthermore, the Government has published PPG13 "Transport" (April 2001), promoting sustainable transport choices through land use and transport planning, together with the concept of transport assessments to accompany significant planning applications.

Based on policy guidance, current transport contributions for major residential developments in suburban locations are separately negotiated. However, having regard to the sustainable transport infrastructure within the town centre, the scale of contribution required for this area is likely to be less than in suburban locations where the existing infrastructure is not so well developed.

In recognition of the above factors, as well as the Council's aspirations to both promote and take advantage of the excellent opportunities for sustainable transport within Stockport town centre, the following considerations will inform the Council's assessment of transportation requirements for housing schemes within the area:-

- i. The maintenance of safety on the highway will be a paramount consideration and no development will be permitted which compromises this principle or which does not incorporate proposals to ensure it.
- ii. The Council will require a 'Transport Statement' for any town centre residential development of 50-80 units and a 'Transport Assessment' will be required for 80 or more units. Further information is available from the Department for Transport "Guidance on Transport Assessment" (published March 2007).
- iii. Proposals which are deemed to create significant traffic generation may also need to be tested via the Town Centre Traffic Model.
- iv. Having regard to the existing infrastructure within the town centre, it is unlikely that the Council will require development contributions for minor schemes of 10 dwellings or less. However, on larger schemes where development contributions will be sought, the scale of contribution is likely to be approximately half those expected in suburban locations. These funds will be spent on works to enhance highway safety, as well as improvements to public transport facilities, the pedestrian environment and cycle routes / facilities within the town centre, all of which are likely to be of direct benefit to occupiers of the development.
- v. In considering the pedestrian environment / streetscape applicants should also refer to the 'Stockport Town Centre Public Realm and Lighting Guide' (September 2006), which provides a palette of materials for different areas within the town centre.
- vi. Finally, again having regard to the sustainable transport infrastructure which already exists in the town centre, the Council will expect a level of car parking provision associated with town centre residential proposals that is lower than in other locations within the borough. The parking standards for all new developments are currently set out in Appendix 9 of the UDP Review. A maximum provision of 1.25 spaces per dwelling will be adopted for the town centre in accordance with the UDP. Where parking spaces are allocated to specific dwellings 1 space per dwelling will need to be to disabled specification; where spaces are shared 10% of spaces will be expected to be to disabled specification and marked for disabled use only. Disabled spaces must be maintained for use by any disabled person living at / visiting the development and cannot be allocated / sold to any individual dwelling (unless within the curtilage of that dwelling). Cycle parking will also need to be integral to the main fabric of the development at a level of 1 space per dwelling, in a safe and secure lockable store.

7 Area of Operation

The area of operation to which the guidance relates is illustrated on the attached plan 11 'Area of Operation'

As part of the wider Stockport Town Centre / M60 Gateway area, the boundary incorporates the central retail area and surrounding town centre mixed use areas to the south of the M60 (TCG3 sites, as identified within the Stockport UDP Review Proposals Map).

This area is felt to incorporate a number of significant sites, which offer potential for housing and would continue to benefit from the proposed relaxation in policy. Major opportunities for town centre housing include Hopes Carr; Weir Mill; Fletcher Street; Grand Central; and, Bridgefield.

8 Implementation of Policy

The Council is committed to the comprehensive regeneration of the town centre, taking a proactive approach to secure private and public sector investment in the town centre.

Enduring partnerships have been forged with several registered social landlords and private sector interest generated by creating the policy and investment framework to support residential development. The momentum reached must be maintained, if not hastened and to this end the SPD continues to advocate a reduced requirement for affordable housing, children's open space provision and transportation, presenting the Council's position for the town centre.

However, the Council recognises that in selected cases where exceptional constraints exist within the town centre, making sites marginal, applicants may cite non-viability as a reason for further negotiation. In such instances this will need to be supported with financial evidence, which is submitted with the planning application. It should be noted that the Council is subject to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004. Any information considered to be confidential or commercially sensitive should be clearly marked as such. In the event that this information is requested under either piece of legislation, the Council will take these markings into consideration before making a final decision to disclose or exempt the information. The Council will expect to see the calculations for the important factors (as outlined in Appendix A - 10 'Information required for assessing financial viability') set out in enough detail for viability to be properly assessed and tested.

Where the Council is satisfied that the financial appraisal confirms that development would be unviable, further negotiations should then take place in relation to the planning requirements to try and secure the delivery of an appropriate scheme.

Lessons learnt from the area's new housing indicate that there needs to be flexibility consistent with achieving the Council's core objectives and where non-viability is demonstrated it will be important to look at peculiarities of individual sites and negotiate specific solutions. One example being a willingness by the Council to consider a range of affordable housing shared ownership options, with a greater level of ownership (e.g. up to 75%) and consequent increased sale price for the developer where appropriate to help viability.

The Corporate Director of Environment and Economy will seek to inform prospective developers or purchasers of town centre sites for housing development of the associated planning requirements at pre-application discussions. (These will include, but will not be exclusive to the matters set out in this guidance).

9 Background Documents

- Stockport Unitary Development Plan Review (Adopted May 2006)
- Planning Policy Statement No.3: Housing (2006)
- Planning Policy Statement No.6: Planning for Town Centres (2005)
- Planning Policy Guidance No.13: Transport (2001)
- Guidance on Transport Assessment (Dept. for Transport; March 2007)
- Future Stockport Town Centre Masterplan (Feb 2005)
- Supplementary Planning Document for the Town Centre Masterplan (June 2006)
- Interim Review of the 2000 – 2010 Regeneration Plan for Stockport Town Centre and M60 Gateway (Feb 2007)
- Stockport Town Centre Public Realm and Lighting Guide (Sept 2006)

For further guidance on the detailed operation of recreational / open space, affordable housing policy, transportation issues and residential design please also refer to:

- i. Supplementary Planning Guidance – Recreational / Open Space and Commuted Payments (July 2006)
- ii. Supplementary Planning Guidance – Provision of Affordable Housing (February 2003)
- iii. Supplementary Planning Document – Sustainable Design and Construction (May 2006)
- iv. Supplementary Planning Document – Sustainable Transport (December 2007)
- v. Supplementary Planning Document – Design of Residential Development (December 2007)

10 Information required for assessing financial viability

The Council will expect to see the workings that lie behind the major components as listed below. The format in which these are presented is left to the applicant, however, the example below (Figure 4 'Financial Appraisal') has been provided as a guideline to try and assist applicants.

Capital Value of Completed Development

- i. Market Sales – comparable market evidence to support the figures should be provided.
- ii. Affordable Housing Sales

Construction

- i. Construction Cost – this should be provided by a qualified Quantity Surveyor and include information on the nature of the construction i.e. materials, build type.
- ii. Additional / Abnormal Costs – evidence should be provided to substantiate any additional costs i.e. should ground contamination be put forward copies of relevant reports must be provided.
- iii. Highways Works
- iv. Planning Contributions
- v. Finance Costs – proof of funding arrangements needed.
- vi. Professional Fees – this can be expressed in value (£) or as a percentage (%) and should state what has been included i.e. architect fees / planning fees.

Site

- i. Site Acquisition – evidence should be provided for the site purchase price i.e. land registry documents or evidence from the vendor of the site. Developers are expected to have considered the financial implications of any associated planning requirements when purchasing the land for development.
- ii. Professional Fees – this can be expressed in value (£) or as a percentage (%) and should state what has been included i.e. legal fees / agents fees.

Developers Profit

- i. Total Net Profit
 - ii. On Cost
 - iii. On Completed Development Value
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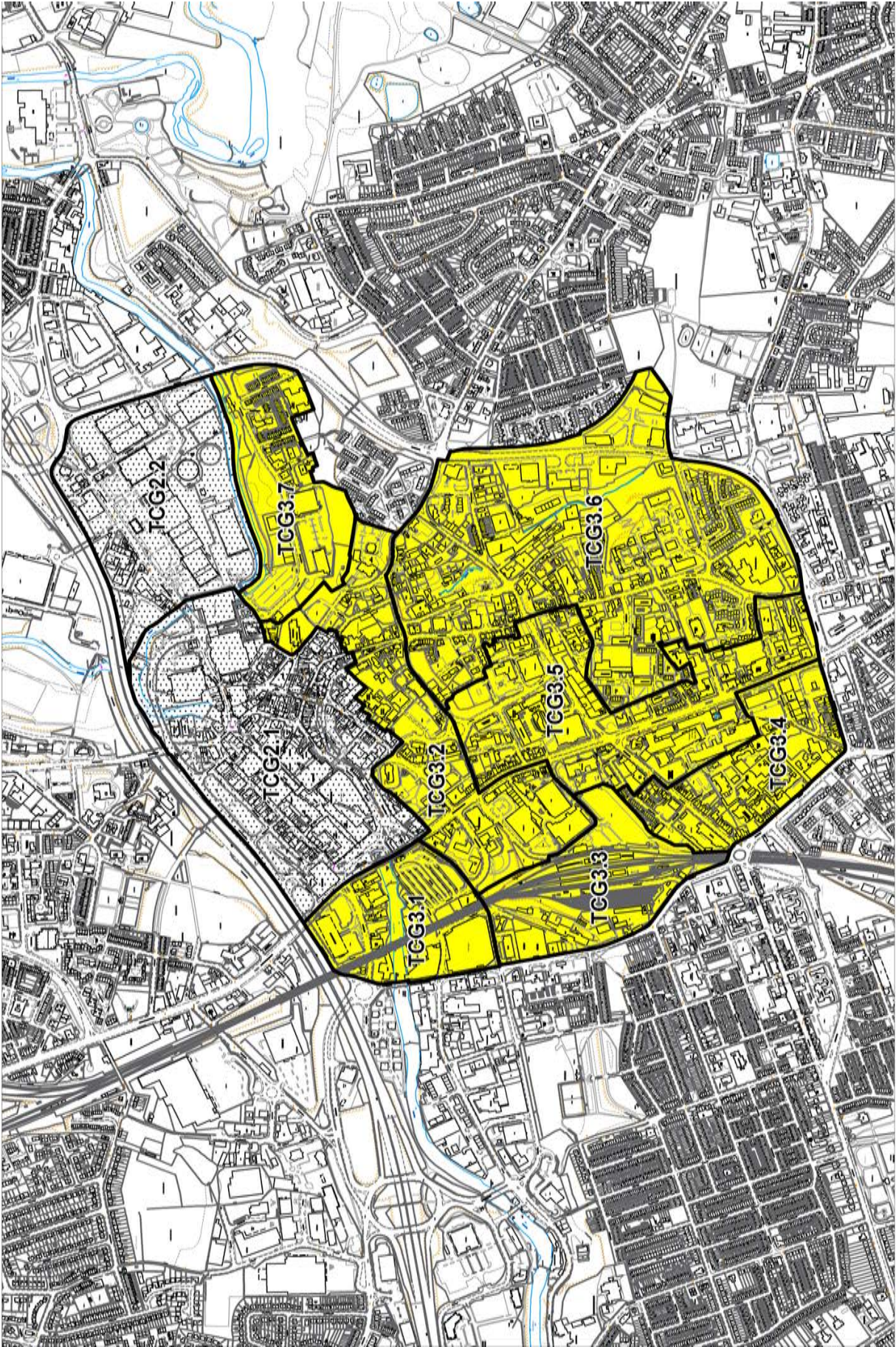
10 Information required for assessing financial viability

Financial Appraisal

	Percentage	Value / Cost £
<u>Capital Value of Completed Development</u>		
Market Sales		£
Affordable Housing Sales		£
Total		£
<u>Construction</u>		
Construction Cost		£
Gross Internal Area of development		sqm
Additional / Abnormal Costs		£
Contingencies		%
Highway Works		£
Planning Contributions		£
Finance Costs		£
Professional Fees		£
Total Construction Costs		£
<u>Site</u>		
Site acquisition		£
Professional Fees		£
Total Site Acquisition Costs		£
<u>Developers Profit</u>		
Total net Profit		£
On Cost		%
On Completed Development Value		%

Figure 4 Financial Appraisal

11 Area of Operation



Map 1 Area of Operation