

Local Development Framework

Draft Supplementary Planning Document on Shared Housing Draft Sustainability Report

*Published with draft SPD for consultation
14 February 2007*

Harvey Emms
Head of Planning and Transportation

Newcastle City Council

Draft Supplementary Planning Document on Shared Housing

Background Paper and Sustainability Report published 14 February 2007

1 SEA and sustainability appraisal

- 1.1 EU Directive 2001/42/EC and subsequent UK regulations formally introduced what is commonly called Strategic Environmental Assessment or SEA for plans or programmes with significant environmental effects. The Directive became operational in July 2004. At about the same time the UK government made the broader sustainability appraisal (SA) process a requirement for certain documents within the Local Development Framework (LDF) through the Planning and Compulsory Purchase Act 2005.
- 1.2 Alongside these mandatory processes, there have been strong moves on a voluntary basis to introduce a better appreciation of environmental, social and economic impacts into decision making of many sorts. Within this region the Regional Assembly and SUSTAINED (the regional roundtable on sustainable development) published in the summer of 2004 what is called the Integrated Regional Framework (IRF), with at its heart a form of sustainability appraisal.
- 1.3 The City Council is preparing a framework for dealing with SEA and sustainability appraisal to the range of documents within its LDF in a consistent way. It will recognise that strategic documents such as the city-wide Core Strategy will require a more elaborate treatment than, say, a site or topic based Supplementary Planning Document (SPD). The City Council is of the view that not all proposed SPDs will require SEA under the European Directive (although all will be subject to SA as required by UK legislation) and the framework will include proposals for screening process for SPDs. This document is SEA compliant.
- 1.4 The SA process has five stages:
 - 1 Setting the context and objectives, establishing the baseline and deciding on the scope
 - 2 Developing and refining options
 - 3 Appraising the effects
 - 4 Consulting on the plan and SA report
 - 5 Monitoring implementation of the plan

This report reports on and brings us up to stage 4 for the draft SPD on Shared Housing. After the current consultation on the SPD and this document, a revised SPD and final Sustainability Report will be prepared for adoption and implementation. This draft report in practice is an updated version of the draft Sustainability Report published alongside the draft SPD on Student Housing in November 2005. In terms of the SEA process, the Council considers that this is therefore a continuing part of that exercise, not a new exercise in its own right.
- 1.5 This report repeats some information contained in the main draft SPD itself, for completeness.

2 General and planning policy context

General context

- 2.1 Northumbria University, the University of Newcastle upon Tyne and Newcastle College help make the city a vibrant and thriving regional centre. However there is increasing local concern over the high concentrations of students living in some parts of Newcastle and the impact this is having on the balance of communities. It is also leading to the loss of valuable resources in terms of houses suitable for families and for those stepping on to the housing ladder being taken up for private renting to shared households.
- 2.2 Other parallel strands of work include:
- exploration of opportunities for purpose built student accommodation
 - licensing of houses in multiple occupation (HMOs)
 - voluntary accreditation schemes in the private rented sector
 - environmental management initiatives, including a night noise team
 - community safety and crime prevention
 - liaison with the Universities and College
 - integration of all these through the Newcastle Private Rented Project.

National policy

- 2.3 National planning policy for housing, expressed in particular through Planning Policy Statement *Housing* (PPS3) confirms the Government's intention that everyone should have the opportunity for a decent home. PPS3 offers no particular guidance in respect of student housing but it does seek to encourage the creation of mixed and balanced communities. It says that local planning authorities should ensure that new housing developments help to secure a better social mix by avoiding the creation of large areas of housing of similar characteristics.
- 2.4 Planning Policy Statement PPS1 *Delivering Sustainable Development* issued in February 2005 again does not address student housing as such but does emphasise the need for development plans to promote development that creates socially inclusive communities, including suitable mixes of housing. PPS1 goes on to advise that plan policies should ensure that the impact of development on the social fabric of communities is considered and taken into account.

Regional policy

- 2.5 Existing RSS (former RPG1) for the North East as adopted in November 2002 emphasises the importance of the region's universities and further and higher education establishments to the economy (for example at paragraph 1.47), but offers no direct guidance on the private rented sector and the provision of student housing.
- 2.6 RSS is under review and the replacement submission draft was published in June 2005. It continues to encourage the development of the universities in the region (notably at paragraph 2.49 and in policy 6, point g), but again it does not deal with the private rented sector and student housing issues as such, though

as with PPG3 it stresses the need for protecting and creating balanced and sustainable communities.

City level policy

- 2.7 The development plan for Newcastle comprises:
- Regional Spatial Strategy (RSS), formerly Regional Planning Guidance RPG1, for the North East adopted in November 2002
 - the Unitary Development Plan (UDP) for Newcastle adopted in January 1998
- National policy and guidance is also important, though with lesser status in some ways than the development plan.
- 2.8 The UDP provides some context and policy assistance in judging proposals for student housing. The UDP was produced before the publication of revised PPG3 in 2002 and does not fully reflect the emphasis in PPG3 and more recently PPS1 on creating and protecting balanced and sustainable communities.
- 2.9 Although other policies may have a bearing on individual planning applications, the principal policies relevant to the SPD are contained in the section on housing and are:
- Policy H1.5 Student housing
 - Policy H2 Protection of residential amenity
- These policies and immediate supporting text are contained in an appendix to the draft SPD.
- 2.10 Policy H1.5 offers help in judging planning applications for students housing and does not in itself refer to housing in the private rented sector. The supporting text does say that problems can occur when a concentration of short term tenanted private properties leads to a highly transient population, but the response in this part of the UDP is to encourage purpose built student housing rather than regulation of the private rented sector.
- 2.11 Policy H2 is central to the ability of the Council to use planning powers to protect the amenity of existing dwellings. It lists a number of factors which must be looked at in assessing whether amenity might be affected. Within point A the policy refers to the need to protect the character of localities. Policy H2 is therefore the second key reference point for this document in the UDP.

3 SPD and sustainability appraisal objectives

- 3.1 The framework for SEA and SA being prepared by the Council (see paragraph 1.3 above) will confirm the sustainability objectives to be used in future exercises. These will be based very closely on the objectives in the Integrated Regional Framework, though subject to amendment. The current working version of the sustainability objectives are as follows and are being used for the time being in this document.

The objectives are:

For the good of *society* we will aim:

- To promote strong and inclusive communities, involved in decision making for their area
- To improve health and well-being while reducing inequalities in health
- To ensure everyone has the opportunity of living in a decent and affordable home
- To ensure good accessibility for all jobs, facilities, goods and services in the City - *also Economic Objective*
- To protect and enhance the City's cultural heritage and diversity - *also Environmental Objective*
- To raise educational achievement and improve skill levels across the City
- To reduce crime and the fear of crime

For the *environment* we will aim:

- To reduce the impacts of climate change and our contribution to the causes
- To make better use of our resources - *also Social Objective*
- To reduce the amount of waste produced and increase the amount recycled
- To improve local air quality for all
- To protect and enhance the quality of the City's ground, river and surface waters
- To protect and enhance the City's biodiversity
- To protect and enhance the quality and diversity of the City's rural and urban land and landscapes
- To protect and enhance the City's cultural heritage and diversity

For the *economy* we will aim:

- To ensure high and stable levels of employment so everyone can share and contribute to greater prosperity - *also Social Objective*
- To achieve high and sustainable levels of economic growth.

4 Baseline information

- 4.1 The current version of the draft SPD contains a section on university growth prospects and impact on student housing. This forms an important part of the baseline information available at present and should be read in conjunction with this document. Bridging NewcastleGateshead (BNG - Housing Market Renewal Pathfinder) commissioned a study into student housing and graduate retention in 2006 and the Phase 1 Baseline Report was published in February 2007. BNG also published the final report of its Private Landlord Study at the same time – copies of both available on request. These are further very useful additions to our own baseline.

5 Developing and appraising options

- 5.1 The Council has considered a range of planning policy mechanisms to introduce restraint on student bedspaces. The many permutations were rationalised into a number of options which gave a clear choice in terms of both policy approach and the spatial basis for applying policy. These are set out here. The Area of Student Housing Restraint (ASHoRe) model pioneered in Leeds was taken as a

key model in the first draft SPD in November 2005 and the revised Leeds approach on the AHM is again being followed now.

5.2 ***Option 1***

No change:

- no area of restraint defined
- no attempt to restrict intensification where planning permission needed (e.g. larger extensions or rooflights in Tyneside flats)
- no blanket policy against purpose built student housing - each entirely on individual merits
- however, continue ad hoc enforcement on very large shared households

5.3 ***Option 2 - preferred option used in SPD***

Leeds AHM-type approach:

- single broad area defined covering all areas with high levels of shared and student housing plus areas around that might in future face same issues
- no planning permissions for extensions or rooflights

5.4 ***Option 3***

As Option 2 but consider in addition:

- withdrawal of permitted development rights for some or all extensions and other external works using Article 4 Direction

5.5 ***Option 4***

Targeted approach:

- similar to Option 2, but
- would define tighter areas for restrictions, based solely on current rather than possible future student occupation
- outer cordon could be defined for monitoring and possible future inclusion depending on annual review

5.6 ***Option 5***

Threshold approach:

- areas not defined as such or only as general indication of problem
- annual review of Council Tax and other information to indicate proportion of student or shared households on a street by street or very small area basis
- restrictions imposed as in Option 2 but decisions taken on basis of annual street or small area information

5.7 The Council has appraised these options against the sustainability objectives. The table below gives a summary version, giving comments by the three headings of economic, environmental and social. Option 2 represents the preferred option as contained in SPD policy statements SH POL 1 and SH POL 2. A fuller version of the appraisal, objective by objective, forms the Appendix to this report.

Table: Summary of appraisal of options

SA objective	Option 1 - business as usual	Option 2 - Leeds type single tier AHM with boundary quite widely drawn	Option 3 - as option 2 but with withdrawal of permitted development rights	Option 4 - as option 2 but with tight boundary round key areas of high concentrations	Option 5 - threshold approach on small are basis
Economic					
To ensure high and stable levels of employment so everyone can share and contribute to greater prosperity	Significant university and college contributions to local economy generally would continue.	University and college spending relatively unaffected. Student spending overall probably unaffected but spread over a wider area with more benefits to less advantaged areas than at present. Some diversion of spend into non-local firms if larger student housing developers moved in.	As option 2, but with slightly greater diversion of student spending around the city.	As option 2, but with slightly less diversion of student spending around the city.	As option 2, but with slightly less diversion of student spending around the city.
To achieve high and sustainable levels of economic growth	Student spending would continue to be concentrated in certain areas, benefitting some locally based landlords.				
Environmental					
To improve local air quality for all	The current concentration of students in some areas is having relatively little measurable direct and lasting environmental affect (as opposed to transient issues dealt with under social	Greater dispersal of students to more peripheral areas might lead to greater use of car use to work, though city centre limitations on car parking would inhibit a major growth.	As option 2, but greater likelihood of change.	As option 2, but less likelihood of change.	As option 2, but less likelihood of change.
To protect and enhance the quality of the City's ground, river & surface waters					
To reduce the impacts of climate					

change and our contribution to the causes	<p>heading below). Their central location and good public transport links means that impacts due to travel by car to work are probably relatively limited, although there may be localised problems due to heavier car use for non-work uses and as a result of car parking in areas with limited capacity.</p> <p>The character of some areas will continue to suffer, though this will have social rather than environmental impacts.</p>				
To protect and enhance the City's biodiversity					
To reduce the amount of waste produced and increase the amount recycled					
To make better use of our resources					
To protect and enhance the quality and diversity of the City's rural and urban land and landscapes					
To protect and enhance the City's cultural heritage and diversity					
Social					
To raise educational achievement and improve skill levels across the City	<p>High concentrations of students in some areas will continue to satisfy their own housing needs but at the expense of ensuring a balanced social mix. The</p>	<p>Greater dispersal of students will make it easier for existing communities to maintain their structure and to continue to support certain services such as</p>	<p>As option 2, but greater likelihood of change.</p>	<p>As option 2, but less likelihood of change.</p>	<p>As option 2, but less likelihood of change.</p>
To ensure everyone has the opportunity of living in a decent and					

affordable home	<p>erosion of cohesive communities in some areas will continue.</p> <p>There will continue to be an increase in occasional disturbance.</p> <p>There will continue to be a negative impact on school rolls with a threat to the future of some primary of first schools.</p> <p>Some areas will continue to see higher than average rates of crime against property.</p>	<p>schools.</p> <p>However those areas likely to see less students than under option 1 might lose the benefit of greater local spend and thus support for local services, e.g. convenience goods shops.</p> <p>Areas outside the AHM that might see an increase in the proportion of students could face an increase in the problems identified in Option 1.</p>			
To reduce crime and the fear of crime					
To improve health and well-being while reducing inequalities in health					
To ensure good accessibility for all to jobs, facilities, goods and services in the City					
To promote strong and inclusive communities, involved in the decision making for their area					

6 Predicting and evaluating the likely effects of the options and the SPD

- 6.1 The main impacts of introducing one of the options other than the 'business as usual' Option 1 are likely to be in relation to social and the more local environmental objectives. These options involve the use of stricter planning controls on, in effect, new bedspaces for students and could potentially have a positive impact and help to address some of the physical and social impacts of the concentration of student accommodation. These options, if effective, could help to secure more balanced communities in the most affected areas.
- 6.2 The appraisal has identified a number of potential negative impacts of the options. These largely relate to the extent to which the options would result in the social and day-to-day environmental problems being transferred to a degree to neighbourhoods outside a restraint area, the potential loss of support for some services such as local shops and the possible diversion of some spend into larger companies not based locally.
- 6.3 It is difficult to be very precise in predicting the scale of such impacts, given a number of contextual unknowns, notably:
- changes in a relatively volatile sector of the housing markets due to other factors
 - uncertainties around future growth prospects of the Universities
 - uncertainties also around the contribution in future of major developers of large scale purpose built accommodation.

7 Implementation and monitoring

- 7.1 The SPD sets out an approach to guiding some aspects of student housing in Newcastle. It draws upon policy at the national, regional and local level. It will work with parallel exercises, including the new licensing arrangements for HMOs. However, the SPD will be implemented almost exclusively through the development control process. It will be monitored annually and the results presented as part of the LDF Annual Monitoring Report to be produced each year by 31 December for the preceding financial year.
- 7.2 Suggested targets and indicators for the SPD are presented here for comment. Information would generally be presented by Newcastle Neighbourhood Information System (NNIS) neighbourhoods and by wards.
- student households as a % of total households (excluding from both halls of residence and purpose built accommodation) as shown by Council Tax records
 - student households as a % of total households (including in both halls of residence and purpose built accommodation) as shown by Council Tax records
 - house prices and rental levels
 - number of vacant dwellings
 - number of formally registered reports of anti-social behaviour

Appendix

Appraisal of Options against Sustainability Objectives

Key to symbols:

x x	Significant negative effect (i.e. a move away from the objective)	+ +	Significant positive effect (i.e. a move towards the objective)	*	There is no relationship between the objective and the policy
x	Marginal negative effect (i.e. a move away from the objective)	+	Marginal positive effect (i.e. a move towards the objective)	?	It is not known whether the policy will move towards or away from the objective

Options 1, 2 and 3:

SA objective	Option 1 - maintain current approach	Comment	Option 2 - One tier AHM with planning controls		Comment	Option 3 - AHM with extra planning controls through Article 4 Direction		Comment
			Inside AHM	Outside AHM		Inside AHM	Outside AHM	
Economic								

To ensure high and stable	+	Allowing number of student households to continue to	x	?	Direct employment inside AHM will not grow as would	x	?	As for Option 2 but effects a little stronger with extra
---------------------------	----------	--	----------	----------	---	----------	----------	--

levels of employment so everyone can share and contribute to greater prosperity		grow in pressure areas will support local jobs in these locations and tend not to encourage growth of non-locally owned large units. However, probably not a large number of jobs involved.			have been expected. Growth in local jobs outside AHM may happen, but some money may disappear from local economy if large purpose built units built and profits taken out of region.			restraint through withdrawal of permitted development rights.
To achieve high and sustainable levels of economic growth	*	Unlikely to be significant effect.	*	*	Unlikely to be significant effect.	*	*	Unlikely to be significant effect.

Environmental

To improve local air quality for all	+	Neighbourhoods under pressure are relatively central, so allowing students to walk or cycle rather than use motorised transport. They are also not in current Air Quality Action Areas.	*	x	Small shift into motorised transport for journey to work may happen outside AHM area, but effect likely to be small. Some new purpose built halls may be in City Centre Air quality Action Area, with attendant concerns about pollution levels.	*	x	As for Option 2 but effects a little stronger with extra restraint through withdrawal of permitted development rights.
To protect and enhance the quality of the City's ground, d river and surface waters	*	Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.
To reduce the impacts of climate change and our	+	Areas currently popular with students are relatively central, so allowing students to walk or cycle	*	x	Small shift into motorised transport for journey to work may happen outside AHM area with consequent higher	*	x	As for Option 2 but effects a little stronger with extra restraint through withdrawal of permitted development

contributions to the causes		rather than use motorised transport.			emissions, but effect likely to be small.			rights.
To protect and enhance the City's biodiversity	*	Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.
To reduce the amount of waste produced and increase the amount recycled	*	Students are probably not high consumers generally but equally are not very good at recycling. Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.
To make better use of our resources	?	Continuing to allow students to live in the private rented sector might encourage retention and conversion of existing properties rather than construction of large new purpose built accommodation.	?	?	Effects unsure - see Option 1	?	?	Effects unsure - see Option 1
To protect and enhance the quality and diversity of the City's rural and urban land and landscapes	x	The physical character of areas under most pressure from student households are at threat from neglect of properties and gardens.	+	x	A halt in the decline of appearance in areas under pressure can be expected, with transfer of problem elsewhere. However, there may be other means to address problem through licensing, accreditation, environmental management, etc.	+	x	As for Option 2 but effects a little stronger with extra restraint through withdrawal of permitted development rights.
To protect and enhance the City's cultural	x	Students generally add to the diversity and life of the areas they live in. However	+	x	A halt in the decline of the character in areas under pressure can be expected,	+	x	As for Option 2 but effects a little stronger with extra restraint through withdrawal

heritage and diversity		where concentrations are such that social structures are no longer balanced then diversity becomes threatened.			with transfer of problem elsewhere.			of permitted development rights.
------------------------	--	--	--	--	-------------------------------------	--	--	----------------------------------

Social

To raise educational achievement and improve skill levels across the City	?	Students may indirectly lead to falling school roles and thus reduce choice to those with children. However there will be other schools not too far away to which children can attend.	?	?	Effects unsure - see Option 1	?	?	Effects unsure - see Option 1
To ensure everyone has the opportunity of living in a decent and affordable home	x x	High concentrations of students is leading to overheating of the housing market in some areas, putting houses and flats in those areas out of the reach of some. In other more marginal areas, the presence of students may be undermining their appeal as traditional family housing areas.	+	?	A slowdown in the overheating of the housing market in areas under pressure can be expected. The problem might be transferred elsewhere, but equally some areas might benefit from presence of more students.	+	?	As for Option 2 but effects a little stronger with extra restraint through withdrawal of permitted development rights.
To reduce crime and the fear of crime	x	Student households are statistically more prone to burglary than others. Areas with known concentrations of students tend to attract more crimes against property than the average.	+	x	A halt in the increase in property crime in areas under pressure can be expected, with some transfer of problem.	+	x	As for Option 2 but effects a little stronger with extra restraint through withdrawal of permitted development rights.

To improve health and well-being while reducing inequalities in health	x	There is some evidence that the health of established residents is suffering due to noise and disturbance.	+	x	A halt in the increase in disturbance in areas under pressure can be expected.	+	x	As for Option 2 but effects a little stronger with extra restraint through withdrawal of permitted development rights.
To ensure good accessibility for all to jobs, facilities, goods and services in the City	+	Students spending power can help support local shops, cafes, etc, though the nature of the businesses may not match those wanted by longer established residents.	x	+	The potential spending power of increased number of students will be transferred out of the AHM.	x	+	As for Option 2 but effects a little stronger with extra restraint through withdrawal of permitted development rights.
To promote strong and inclusive communities, involved in the decision making for their area	x	Individual students are short term residents and less likely to get involved in community activities than those staying longer.	+	x	Maintaining a more balanced community than without controls should help support community involvement. The problem may transfer to other areas.	+	x	As for Option 2 but effects a little stronger with extra restraint through withdrawal of permitted development rights.

Options 4 and 5:

SA objective	Option 4 - More tightly drawn AHM with outer ring to be monitored		Comment	Option 3 - Threshold approach using small area information on student households		Comment
	Inside AHM	Outside AHM		Within areas likely to be controlled	Outside areas likely to be controlled	
Economic						
To ensure high and stable levels of employment so everyone can share and contribute to greater prosperity	x	?	As for Option 2 but effects a little less strong with reduced AHM area.	x	?	As for Option 4 but effects even less strong with smaller areas affected by restrictions.
To achieve high and sustainable levels of economic growth	*	*	Unlikely to be significant effect.	*	*	Unlikely to be significant effect.

Environmental

To ensure good local air quality for all	*	X	As for Option 2 but effects a little less strong with reduced AHM area.	*	X	As for Option 4 but effects even less strong with smaller areas affected by restrictions.
To protect and enhance the quality of the City's ground and river waters	*	*	Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.
To reduce the causes and the impacts of climate change	*	X	As for Option 2 but effects a little less strong with reduced AHM area.	*	X	As for Option 4 but effects even less strong with smaller areas affected by restrictions.
To protect and enhance the City's biodiversity and geology	*	*	Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.
To reduce the amount of waste produced and increase the amount recycled	*	*	Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.
To make better use of our resources	?	?	Effects unsure - see Option 1	?	?	Effects unsure - see Option 1

To protect and enhance the quality and diversity of the City's rural and urban land and landscapes	+	x	As for Option 2 but effects a little less strong with reduced AHM area.	*	x	As for Option 4 but effects even less strong with smaller areas affected by restrictions.
To protect and enhance the City's cultural heritage and diversity	+	x	As for Option 2 but effects a little less strong with reduced AHM area.	+	x	As for Option 4 but effects even less strong with smaller areas affected by restrictions.

Social

To raise educational achievement and improve skill levels across the City	?	?	Effects unsure - see Option 1	?	?	Effects unsure - see Option 1
To ensure everyone has the opportunity of living in a decent and affordable home	+	?	As for Option 2 but effects a little less strong with reduced AHM area.	+	?	As for Option 4 but effects even less strong with smaller areas affected by restrictions.
To reduce crime and the fear of crime	+	x	As for Option 2 but effects a little less strong with reduced AHM area.	+	x	As for Option 4 but effects even less strong with smaller areas affected by restrictions.
To improve health and well-	+	x	As for Option 2 but effects a little less strong	+	x	As for Option 4 but effects even less strong with

being while reducing inequalities in health			with reduced AHM area.			smaller areas affected by restrictions.
To ensure good accessibility for all to jobs, facilities, goods and services in the City	x	+	As for Option 2 but effects a little less strong with reduced AHM area.	x	+	As for Option 4 but effects even less strong with smaller areas affected by restrictions.
To promote strong and inclusive communities, involved in the decision making for their area	+	x	As for Option 2 but effects a little less strong with reduced AHM area.	+	x	As for Option 4 but effects even less strong with smaller areas affected by restrictions.
To reduce adverse impacts on global communities	*	*	Unlikely to be any significant effect.	*	*	Unlikely to be any significant effect.