

Government consultation – Changes to the current planning system

This response, as submitted represents an Officer view for Redditch Borough Council. Due to the closing date for consultation responses and it has not been possible to ratify this response through the Committee cycle. The response will be considered by Council Members on 16th November, should the need arise we will update the consultation response if any amendments are requested by Members. The Council will send notification on 17th November to advise if this is the case and to provide an anticipated date for forwarding an updated response.

The standard method for assessing housing numbers in strategic plans

Step 1: Setting the baseline – providing stability and certainty by incorporating a blend of household projections and stock:

Q1: Do you agree that planning practice guidance should be amended to specify that the appropriate baseline for the standard method is whichever is the higher of the level of 0.5% of housing stock in each local authority area OR the latest household projections averaged over a 10-year period?

Paragraph 13 of the consultation document states that “household projections have attracted criticism for their volatility and the way in which they can result in artificially low projections in some places... Crucially, they cannot in isolation forecast housing need – they project past trends forward.”

Paragraph 20 of the consultation document goes on to say that housing stock figures “should also offer the stability and predictability which has been absent when solely relying on household projections.”

The Council is mindful of the volatility of the household projections, which was highlighted when the 2016 projections were released and dismissed for the purpose of calculating LHN figures.

The Council’s only preference is for clarity and certainty that an adopted methodology is substantially robust and can endure over time.

Q2: In the stock element of the baseline, do you agree that 0.5% of existing stock for the standard method is appropriate? If not, please explain why.

As above The Council’s only preference is for clarity and certainty that an adopted methodology is substantially robust and can endure over time.

Step 2: Adjusting for market signals – maintaining price signals using the current affordability ratio and the change in affordability over the last 10 years:

Q3: Do you agree that using the workplace-based median house price to median earnings ratio from the most recent year for which data is available to adjust the standard method's baseline is appropriate? If not, please explain why.

The Council agrees with the use of workplace-based data as this is more representative in terms of potential affordability issues within a local authority area.

Q4: Do you agree that incorporating an adjustment for the change of affordability over 10 years is a positive way to look at whether affordability has improved? If not, please explain why.

The introduction of the two part affordability adjustment is considered to better reflect market conditions and affordability in a pragmatic and positive manner.

Q5: Do you agree that affordability is given an appropriate weighting within the standard method? If not, please explain why.

No comment

Transition

Do you agree that authorities should be planning having regard to their revised standard method need figure, from the publication date of the revised guidance, with the exception of:

Q6: Authorities which are already at the second stage of the strategic plan consultation process (Regulation 19), which should be given 6 months to submit their plan to the Planning Inspectorate for examination?

Q7: Authorities close to publishing their second stage consultation (Regulation 19), which should be given 3 months from the publication date of the revised guidance to publish their Regulation 19 plan, and a further 6 months to submit their plan to the Planning Inspectorate?

If not, please explain why. Are there particular circumstances which need to be catered for?

No comment, the transition arrangement will not apply to Redditch.

Delivering First Homes

Q8: The Government is proposing policy compliant planning applications will deliver a minimum of 25% of onsite affordable housing as First Homes, and a minimum of 25% of offsite contributions towards First Homes where appropriate. Which do you think is the most appropriate option for the remaining 75% of affordable housing secured through developer contributions? Please provide reasons and / or evidence for your views (if possible):

i) Prioritising the replacement of affordable home ownership tenures, and delivering rental tenures in the ratio set out in the local plan policy.

ii) Negotiation between a local authority and developer.

iii) Other (please specify)

Option i) Prioritising the replacement of affordable home ownership tenures, and delivering rental tenures in the ratio set out in the local plan policy. Focus should remain on the delivery of rental tenures which has already been set through the local plan process. Our current requirement provides for 60% of affordable housing to be social rented therefore this proposed change will not have a negative impact on the provision of this tenure. This will also ensure mixed and balanced communities are being delivered on developments.

With regards to current exemptions from delivery of affordable home ownership products:

Q9: Should the existing exemptions from the requirement for affordable home ownership products (e.g. for build to rent) also apply to apply to this First Homes requirement?

Yes – The private rented sector provides an important provision of housing which should not be diluted with the need for the provision of home ownership products.

Q10: Are any existing exemptions not required? If not, please set out which exemptions and why.

Small sites and those benefiting from vacant building credit should not be exempt from the provision of First Homes on site. The provision will not have such an impact on the viability of a development.

Q11: Are any other exemptions needed? If so, please provide reasons and /or evidence for your views.

No comment

Q12: Do you agree with the proposed approach to transitional arrangements set out above?

Yes

Q13: Do you agree with the proposed approach to different levels of discount?

Yes, providing the valuation is a RICS red book valuation.

Q14: Do you agree with the approach of allowing a small proportion of market housing on First Homes exception sites, in order to ensure site viability?

Yes, providing developers are required to fully evidence the need for market housing to make the scheme viable.

Q15: Do you agree with the removal of the site size threshold set out in the National Planning Policy Framework?

No comment

Q16: Do you agree that the First Homes exception sites policy should not apply in designated rural areas?

Yes - A rural exception site is designed to meet need and the affordable housing provision provided should be purely to meet that need.

Supporting small and medium-sized developers

For each of these questions, please provide reasons and / or evidence for your views (if possible):

Q17: Do you agree with the proposed approach to raise the small sites threshold for a time-limited period? (see question 18 for comments on level of threshold)

The Council disagrees with the proposal to raise the site size threshold for affordable housing contributions. Paragraph 57 of the NPPF already offers the flexibility to negotiate expected contributions from development if there are justifiable circumstances which affect the viability of a site. Furthermore, NPPF, paragraph 68, directs LPAs to identifying a range of smaller site allocations through the Plan-making process. During this process, LPAs are balancing the delivery of the overall requirement with meeting the housing needs of different groups in the community (NPPF paragraph 61). Raising the site size threshold has the potential to compromise much needed affordable housing provision.

With respect to the time limited period for the proposed approach, there is no certainty that this initiative wouldn't be extended beyond the initial 18 month period, given the reoccurring nature of Covid-related restrictions throughout the country. This is a time where the need for affordable homes is possibly at its most prevalent.

The office to residential prior notification initiative was originally time restricted, and then extended. There have since been many lost opportunities to secure affordable housing provision due to this initiative

Q18: What is the appropriate level of small sites threshold?

- i) Up to 40 homes**
- ii) Up to 50 homes**
- iii) Other (please specify)**

The Council considers that the threshold should remain at 11+.

Q19: Do you agree with the proposed approach to the site size threshold?

No

Q20: Do you agree with linking the time-limited period to economic recovery and raising the threshold for an initial period of 18 months?

See response to Q17

Q21: Do you agree with the proposed approach to minimising threshold effects?

If the threshold does have to be increased, then the Council welcomes measures to ensure that larger scale developments are not brought forward on a piecemeal basis to avoid exceeding the threshold.

Q22: Do you agree with the Government's proposed approach to setting thresholds in rural areas?

The Council welcomes this approach.

Q23: Are there any other ways in which the Government can support SME builders to deliver new homes during the economic recovery period?

No comment

Extension of the Permission in Principle consent regime

Q24: Do you agree that the new Permission in Principle should remove the restriction on major development?

The Council welcomes this change. For sites that have been allocated through the Local Plan process, this initiative could shorten the route to full planning approval and secure earlier housing delivery on site.

Mixed use sites allocated through Local Plans that exceed to 150 dwelling threshold for PiP would also benefit from this initiative, which would again secure earlier housing delivery on sites without compromising other uses/ needs that have been identified as part of the Plan-making process

Q25: Should the new Permission in Principle for major development set any limit on the amount of commercial development (providing housing still occupies the majority of the floorspace of the overall scheme)? Please provide any comments in support of your views.

The Council agrees with the approach identified in paragraphs 98 and 99 of the consultation document.

Q26: Do you agree with our proposal that information requirements for Permission in Principle by application for major development should broadly remain unchanged? If you disagree, what changes would you suggest and why?

The Council agrees with the proposed approach.

Q27: Should there be an additional height parameter for Permission in Principle? Please provide comments in support of your views.

Following PiP consent, any development would need to meet the rigours of adopted planning policy, both nationally and locally. The height of development should be considered by locally distinctive policies in adopted local plans rather than the imposition of a national parameter.

Q28: Do you agree that publicity arrangements for Permission in Principle by application should be extended for large developments? If so, should local planning authorities be:

- i) required to publish a notice in a local newspaper?**
- ii) subject to a general requirement to publicise the application or**
- iii) both?**
- iv) disagree**

If you disagree, please state your reasons.

No comment

Q29: Do you agree with our proposal for a banded fee structure based on a flat fee per hectare, with a maximum fee cap?

No comment

Q30: What level of flat fee do you consider appropriate, and why?

No comment

Q31: Do you agree that any brownfield site that is granted Permission in Principle through the application process should be included in Part 2 of the Brownfield Land Register? If you disagree, please state why.

No comment

Q32: What guidance would help support applicants and local planning authorities to make decisions about Permission in Principle? Where possible, please set out any areas of guidance you consider are currently lacking and would assist stakeholders.

No comment

Q33: What costs and benefits do you envisage the proposed scheme would cause? Where you have identified drawbacks, how might these be overcome?

No comment

Q34: To what extent do you consider landowners and developers are likely to use the proposed measure? Please provide evidence where possible.

No comment

Q35: In light of the proposals set out in this consultation, are there any direct or indirect impacts in terms of eliminating unlawful discrimination, advancing equality of opportunity and fostering good relations on people who share characteristics protected under the Public Sector Equality Duty?

If so, please specify the proposal and explain the impact. If there is an impact – are there any actions which the department could take to mitigate that impact?

No comment