

Appendix 1 - Changes to the Current Planning System – Response to Government Questions

The current standard method for assessing local housing need

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?

This element of the proposed method penalises rural district councils who have a relatively small housing stock. For smaller councils, the household projections will always provide higher figures than 0.5% of the housing stock. As the proposed methodology stands, the use of the housing stock does not provide the stated stability, as it cannot be used in the formula. 0.5% of the housing stock should be the starting point for the method.

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.

This element of the baseline is appropriate and should form the baseline for the standard method rather than household projections.

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.

Yes, using the workplace-based median house price to median earnings ratio is appropriate.

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.

No, Maldon District Council does not agree with using the change of affordability over the previous 10 years. For this District, the annual affordability figure has been quite volatile over the last decade, fluctuating yearly. Including this additional element to the affordability adjustment, more than doubles the annual local housing need figure.

To put this in context, when the Local Development Plan (LDP) was Approved by the Secretary of State in 2017, the number of homes required under the standard method was 216, compared to the LDP which planned for 310 homes pa (43% above the standard method requirement). The LDP was a step change in planning for increased housing delivery in the District.

The standard method has risen steeply since its introduction, to 308 dwellings for 2019 / 20. The proposed method would result in an annual housing target of 623 homes, more than double the outcome of the current methodology. This would be an unachievable housing target.

An alternative approach would be to apply the current standard method to the 2018 household projections. This would create a stretching, but achievable target of 368 homes a year. This would represent an increase of 19% over the annual housing target for the LDP.

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

No, the increased emphasis on affordability skews the standard method results. It does not take into account whether a Local Planning Authority has an adopted Local Plan, made Neighbourhood Plans, or any physical or ecological constraints that restrict the amount of land for development.

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?

It would be more reflective of tasks involved in submitting a plan for examination if the deadline was within 9 months.

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?

All Local Planning Authorities (LPAs) with adopted / approved Local Plans should be given a transition period, to provide the opportunity to review and update their Local Plans, in order to be able to plan appropriately for the uplift in the housing requirement.

It would be more reflective of tasks involved in publishing a Regulation 19 plan and submitting a plan for examination if the deadline was within 6 months to publish a Regulation 19 plan and a further 9 months to submit it to the Planning Inspectorate.

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 iii

An interim measure should be brought in that ensures that the remaining 75% of affordable homes should be affordable /social rent until the Council has been able to update the adopted policy to reflect the need to provide 25% of the properties as First Homes. Further, any off-site contributions (para. 49) need to be at the market rate, not affordable rate, to ensure that the proportion of commuted sums spent on First Homes remains at 25%.

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, if the development is implemented as a build to rent, and there are a suitable proportion of affordable/social rented units provided.

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

No comment.

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

Yes, if a Council builds out its own 100% affordable scheme with registered Providers.

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

The Local Plan (LP) / Neighbourhood Plan (NP) timeline proposed is consistent with timescales given previously in changes in the planning system. In para. 58, it should be made clear that pre-negotiated tenure mixes should stand, despite First Homes being introduced.

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

A 30% discount will not be sufficient to make the homes affordable in this area. A higher rate of discount may need to be applied locally.

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, where it is necessary to make the site viable, where this is proven through an open book viability assessment. We have concerns relating to 100 First Homes

sites. It is important that other forms of affordable housing are included on exception sites too, for example affordable/social rented and shared-ownership, to enable a wide range of housing need to be met in rural areas.

This section also proposes to introduce an exemption from the Community Infrastructure Levy (CIL) for First Homes, we would not support this, as it reduces funding for infrastructure likely to be used by occupants.

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

No. Uplifting the threshold for affordable housing will negatively impact on this Council's ability to provide housing for all sectors of the population. Even some larger villages may not have the level of services required to support major housing development; therefore, it is necessary to retain the 10 dwellings / 1 hectare (ha) site size limit to ensure that development does not overburden local services. This is especially important as it is proposed that First Homes are exempt for CIL, which means there will be no contribution towards education, health or infrastructure to support the future occupiers of First Homes exception sites.

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

Not entirely. First Home exception sites should also be allowed in Green Belt areas.

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

Supporting small and medium-sized developers

**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)**

If there must be a change, we agree that it should be time limited.

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

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

Option iii - where appropriate, the current site size threshold should be kept. If there is to be an increase, it should be limited to 20 or fewer dwellings. In Maldon District, land is relatively cheap, whilst house prices are relatively high. Most sites coming forward are greenfield sites, with few, if any, site constraints. This proposed increase does not reflect the land values and developer profits in this area. Furthermore, if this change is implemented it should be only temporary.

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

No - In Maldon District, all the sites with planning permission of between 10 - 50 dwellings are in the villages. In rural villages, access to affordable housing is restricted. Sites of 10 - 50 dwellings in villages are usually the only opportunity to provide new affordable housing in rural areas. Increasing the site threshold will reduce affordable housing options in rural areas. Further, increasing the site size thresholds will create a disincentive for the development of sites over that threshold, thus reducing the amount of housing delivered under this scheme.

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

No. It not clear how the temporary time limit period would work - would the time limit apply to the submission of planning applications, or, would it also encompass commencement of development on those sites? If after the 18-month time limit, development has not started on these specific planning applications, will the applications expire?

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

No. Historically, where there has been a site size / dwelling number threshold, some developers have tried to circumvent planning requirements, by bringing in development just below the threshold. If site size thresholds for affordable housing provision are increased, it is imperative that any such loophole is closed for both large sites being brought forward in phases, and other sites being proposed with dwellings numbers artificially below the threshold point.

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

Yes

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?**

No.

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.

No.

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?

No, more detailed information is required for major developments to ensure that there are no harmful effects arising from the development.

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

Yes, development should reflect the scale and height of the surrounding area.

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?

No.

ii) subject to a general requirement to publicise the application

Yes

or

iii) both?

No.

iv) disagree

If you disagree, please state your reasons.

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

The suggested fee structure is acceptable. However, the point of any fee cap should be at a sufficient point to make it economic for LPA to process the application.

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

The fee should be set at an appropriate point to provide sufficient income for the LPA.

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.

Yes.

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.

The information for applicants and LPAs is unclear for both the Permission in Principle (PiP) and technical details stages. Clarity on guidance on where PiP applications should be used is required, as currently this is not clear for developers or applicants.

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

The amount of work required to process an application needs to be suitably compensated. When new legislation is introduced, particularly before case law has established clear parameters, LPAs and developers spend extensive time in discussion regarding these matters due to a lack of clarity in the guidance.

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

Due to a lack of guidance for landowners and developers, applications are often submitted on sites that are not suitable for development. Landowners feel that with PiP they will be able to secure permission on sites that they would not be able to using the outline permission process. It is important that clarity is provided, so that any proposed measures are applied appropriately.

Public Sector Equality Duty

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?

The socio-economic impacts on vulnerable sectors of society, resulting from the reduction in the number of affordable homes being delivered should be included in the Public Sector Equality Duty (PSED) for these proposals.

The reduction in the amount of affordable housing being delivered, as a result of these proposals, will impact on families with children, disabled people and elderly people disproportionately, as these are the sectors of the population that are more likely to require affordable housing.