

Committee: Planning Policy Working Group

Agenda Item

Date: 27 January 2016

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Title: Consultation on Proposed Changes to National Planning Policy

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Summary

1. This report explains the proposed changes to the National Planning Policy Framework (NPPF) and sets out initial observations on the proposals.

Recommendations

2. The views of the Working Group are sought on the changes.

Financial Implications

3. None.

Background Papers

4. None

Impact

- 5.

Communication/Consultation	The Government is consulting widely on the proposals
Community Safety	N/A
Equalities	An accompanying Equalities Statement was published with the consultation
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	All
Workforce/Workplace	N/A

Situation

6. This report summarises the consultation on the proposed changes to the NPPF and suggests initial responses to the proposals.

Background

7. The National Planning Policy Framework, published in March 2012, sets out the Government's planning policies for England. This consultation is seeking views on some specific changes to national planning policy. The Government is proposing changes in the following areas:
 - Broadening the definition of affordable housing to include market housing starter homes;
 - Increasing the density of development around commuter hubs, to make more efficient use of land in suitable locations;
 - Supporting sustainable new settlements, development on brownfield land and small sites, and delivery of housing allocated in plans; and
 - Supporting delivery of starter homes.

The following sections of the report set out the principal changes proposed and the suggested response.

Affordable Housing

8. National planning policy requires local planning authorities to plan proactively to meet all housing needs in the area, including market and affordable housing. The current definition of affordable housing includes social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. The current affordable housing definition includes some low cost home ownership models, such as shared ownership and shared equity, provided that they are subject to 'in perpetuity' restrictions or the subsidy is recycled for alternative affordable housing provision.
9. The Government is proposing to change the definition to include products that are analogous to low cost market housing or intermediate rent, such as discount market sales or rent to buy housing. Some of these products may not be subject to 'in perpetuity' restrictions or have recycled subsidy. The Housing and Planning Bill defines starter homes as new dwellings for first time buyers under 40, sold at a discount of at least 20% of market value and at less than the price cap of £250,000.

Comment

10. It is difficult to comment on a new definition of affordable housing until full guidance is available. Discretion should be allowed by the Local Authority as to how they implement the policy to meet local needs. However, even a discount of 20% on a house costing £250,000 will not be affordable for many people.

11. A price cap of £250,000 in Uttlesford will provide at most a 2 bedroom flat and an influx of flatted developments to meet the starter home policy would alter the characteristics of the District. The current affordable housing policy requires far more 2 bed houses than flats as they are more sustainable long term as families are much happier to stay in a 2 bed house with children than a 2 bedroom flat. Current schemes progressing through planning may not have units that can be converted to starter homes and the policy would need to catch up.
12. There are concerns about the implications of decreasing numbers of affordable rented properties as these house some of our most vulnerable residents. There are currently 954 applicants on the housing register, 271 of these require some form of adapted property/supported housing. This could be someone with a physical disability, mental health problems, learning disability etc. With decreasing numbers of affordable rented housing and a growing older population, the Council will struggle to meet their specific needs. It is not clear how these vulnerable people will be able to access starter homes.

Increasing Residential Density around Commuter Hubs

13. The Government is proposing a change to national planning policy that would expect local planning authorities, in both plan-making and in taking planning decisions, to require higher density development around commuter hubs wherever feasible. The Government is proposing that a commuter hub is defined as:
 - a) a public transport interchange (rail, tube or tram) where people can board or alight to continue their journey by other public transport (including buses), walking or cycling; and
 - b) a place that has, or could have in the future, a frequent service to that stop. We envisage defining a frequent service as running at least every 15 minutes during normal commuting hours.

Comment

14. It would seem that Stansted airport would meet the first definition. Clearly, the airport itself is unsuitable for housing but the second part of the definition would open the way for existing settlements with good access to the airport to cater for increased density. Equally, new settlements proposed in the A120 corridor have the potential for frequent bus services to the airport. Increased density at these locations could reduce land take or alternatively facilitate the delivery of more dwellings.

Supporting New Settlements

15. Paragraph 52 of the National Planning Policy Framework recognises that local planning authorities may plan for the supply of new homes through larger scale developments such as new settlements. The Government is proposing to strengthen national planning policy to provide a more supportive approach for new settlements, within locally led plans. They consider that local planning authorities should take a proactive approach to planning for new settlements with developers.

Comment

16. The Council has received various proposals for new settlements through the call for sites process and the withdrawn Local Plan. Some have been promoted through garden city principles.
17. Planning Inspectors at Examination Hearings have traditionally examined new settlements critically from a delivery and viability perspective, particularly given high Infrastructure costs. The Council will need to take a decision on the principle of a new settlement in the current plan and it is helpful to receive clarity on the Governments' position at this time.

Brownfield Land

18. It is proposed to make clearer in national policy that substantial weight should be given to the benefits of using brownfield land for housing (in effect, a form of 'presumption' in favour of brownfield land). The Government intends to make it clear that development proposals for housing on brownfield sites should be supported, unless overriding conflicts with the Local Plan or the National Planning Policy Framework can be demonstrated and cannot be mitigated.

Comment

19. This is essentially a return to the "brownfield first" policy of previous Governments. Whilst compared with other authorities there is relatively little brownfield land in the District the principle is supported.

Small Sites

20. It is proposed to apply the approach described above for brownfield land to other small sites, provided they are within existing settlement boundaries and well-designed to promote or reinforce local distinctiveness. The Government is also recommending that proposals for small sites immediately adjacent to settlement envelopes should be supported if they are sustainable. Views are sought on what impact these changes may have on windfall allowance and the calculation of the 5 year housing land supply.

Comment

21. It is not clear what this proposal will achieve. The Council is generally supportive of applications on small sites within and adjacent to settlement

envelopes and will only refuse planning permission if there are sound reasons for so doing. Uttlesford has a long standing policy of operating a windfall allowance of 50 dwellings per annum. It would take several year's monitoring to establish if the change in policy would make any difference to our windfall allowance.

Housing Delivery

22. One approach the Government is looking to take forward is to amend national planning policy to ensure action is taken where there is a significant shortfall between the homes provided for in Local Plans and the houses being built. The proposal is to introduce a housing delivery test comparing the number of homes that local planning authorities set out to deliver in their Local Plan against the net additions in housing supply in a local planning authority area.
23. To strengthen the incentive for delivery on consented sites, the Government proposes to amend planning policy to make clear that where significant under-delivery is identified over a sustained period, action needs to be taken to address this. DCLG suggest an approach could be to identify additional sustainable sites through plan reviews, new settlements or area action plans.

Comment

24. Whilst there may be merit in a housing delivery test, the suggested solution for under delivery is not supported. The consultation paper fails to recognise that one of the causes of slow housing delivery is land banking by developers and landowners who can deliberately restrict supply to retain profit margins. Allocating more land for development is no guarantee of faster delivery and could be a profligate waste of greenfield sites. A better approach would be "use it or lose it" whereby a consent will lapse if development is not commenced within a specific time frame.

Supporting Delivery of Starter Homes

25. National planning policy contains an exception site planning policy to release land specifically for starter homes. This allows applicants to bring forward proposals on unviable or underused commercial or industrial brownfield land not currently identified in the Local Plan for housing. The Government propose to amend the Framework to make clear that unviable or underused employment land should be released unless there is significant and compelling evidence to justify why such land should be retained for employment use. At a minimum, this would include an up-to-date needs assessment and significant additional evidence of market demand.
17. Alongside these proposals, it is proposed to widen the scope of the current exception site policy for starter homes to incorporate other forms of unviable or underused brownfield land, such as land which was previously in use for retail, leisure and non-residential institutional uses. Furthermore, the Government propose to amend the exception site policy to make it clearer that planning

applications can only be rejected if there are overriding design, infrastructure and local environmental (such as flood risk) considerations that cannot be mitigated.

18. In cases where existing mixed use commercial developments contain unlet commercial units, the Government consider that where appropriate they could usefully be converted to housing, including as starter homes.
19. Starter homes can provide a valuable source of housing for rural areas and, if classified as affordable housing, then DCLG consider it should be possible to deliver starter homes through the existing rural exception site policy. They propose that starter homes on rural exception sites should be subject to the same minimum time limits on resale (5 years) as other starter homes to ensure local people are able to maximise the value of the home and secure a long term place in the local housing market.
20. National planning policy currently considers limited affordable housing for local community needs as “not inappropriate” in the Green Belt but only where this is consistent with policies in the Local Plan. The Government consider that the current policy can hinder locally-led housing development and propose to amend national planning policy so that neighbourhood plans can allocate appropriate small-scale sites in the Green Belt specifically for starter homes, with neighbourhood areas having the discretion to determine the scope of a small-scale site.

Comment

21. Many of these proposals are based on the premise that starter homes constitute affordable housing – see comments above. However, the Council already delivers some market housing to make rural exception sites viable so this particular proposal is welcomed. These are only approved once a viability study has been carried out by the provider and submitted with the planning application.
22. Local connection is important and the Council would welcome the proposal of a local connection test on starter homes. Starter homes should be at the discretion of the Council and only if there is a proven need. To apply for planning permission for a rural exception scheme, a housing needs survey is required to be carried out to ensure that the need is proven. This would be the same for starter homes on an exception site.
23. Property values are an issue, in most of our villages a 2 bedroom house will be worth more than £250,000. New build properties are valued at a premium and sell very easily in our villages. This would affect the size and type of starter home provided in our villages.

Brownfield Land in the Green Belt

24. Limited infilling or the partial or complete redevelopment of brownfield land – where this would not have a greater impact on the openness of the Green Belt - is already deemed not inappropriate. The Government proposes to change policy to support the regeneration of previously developed brownfield sites in

the Green Belt by allowing them to be developed in the same way as other brownfield land, providing this contributes to the delivery of starter homes, and subject to local consultation.

25. It is proposed to amend the current policy test in the National Planning Policy Framework that prevents development of brownfield land where there is any additional impact on the openness of the Green Belt to give more flexibility and enable suitable, sensitively designed redevelopment to come forward. It would be made clear that development on such land may be considered not inappropriate development where any harm to openness is not substantial.

Comment

26. There are parcels of previously developed land in Uttlesford’s Green Belt and this represents a more pragmatic approach to their potential redevelopment.

Risk	Likelihood	Impact	Mitigating actions
That the Council does not respond to the consultation	1 – Unlikely, the Council is preparing a response	1 – The Council’s views would not be taken into account by the Government	Ensure that a response is received within the consultation deadline

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.