

### **Agenda**

# Regulation and Planning Policy Committee

### Members of the Regulation and Planning Policy Committee:

Cllr Florence Ellis (Chairman)

Cllr Barry Duffin (Vice Chairman)

Cllr Julian Halls

Cllr Phil Hardy

Cllr William Kemp

Cllr Suzanne Nuri

Cllr Jeremy Savage

**Cllr Trevor Spruce** 

Cllr Vic Thomson

#### **Date**

Thursday 17 September 2020

#### Time

12.00 pm

#### **Place**

To be hosted remotely at: South Norfolk House Cygnet Court Long Stratton Norwich NR15 2XE

#### **PUBLIC ATTENDANCE**

This meeting will be live steamed for public viewing via the following link:

https://www.youtube.com/channel/UCZciRgwo84-iPyRImsTCIng

If a member of the public would like to attend to speak on an agenda item, they can do so by emailing a request to

democracy@s-norfolk.gov.uk, no later than 5.00pm on Tuesday 15 September 2020.

#### Contact

Claire White tel (01508) 533669 South Norfolk District Council Cygnet Court Long Stratton Norwich NR15 2XE

Email: democracy@s-norfolk.gov.uk Website: www.south-norfolk.gov.uk

If you have any special requirements in order to attend this meeting, please let us know in advance

Large print version can be made available

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R&P/CW

### AGENDA

1.	To report apologies for absence and identify substitute voting members (if any);
2.	Any items of business the Chairman decides should be considered as matters of urgency pursuant to Section 100B (4) (b) of the Local Government Act, 1972.  Urgent business may only be taken if, "by reason of special circumstances" (which will be recorded in the minutes), the Chairman of the meeting is of the opinion that the tem should be considered as a matter of urgency;
3.	To Receive Declarations of Interest (Please see guidance form and flow chart attached – page 3)
4.	Minutes of the meeting of the Regulation and Planning Policy Committee held on Tuesday 19 May 2020 (attached – page 5)
5.	Response to Ministry of Housing, Communities and Local Government (MHCLG) Planning Consultations (report attached - page 8



#### **DECLARATIONS OF INTEREST AT MEETINGS**

When declaring an interest at a meeting Members are asked to indicate whether their interest in the matter is pecuniary, or if the matter relates to, or affects a pecuniary interest they have, or if it is another type of interest. Members are required to identify the nature of the interest and the agenda item to which it relates. In the case of other interests, the member may speak and vote. If it is a pecuniary interest, the member must withdraw from the meeting when it is discussed. If it affects or relates to a pecuniary interest the member has, they have the right to make representations to the meeting as a member of the public but must then withdraw from the meeting. Members are also requested when appropriate to make any declarations under the Code of Practice on Planning and Judicial matters.

Have you declared the interest in the register of interests as a pecuniary interest? If Yes, you will need to withdraw from the room when it is discussed.

#### Does the interest directly:

- 1. affect yours, or your spouse / partner's financial position?
- 2. relate to the determining of any approval, consent, licence, permission or registration in relation to you or your spouse / partner?
- 3. Relate to a contract you, or your spouse / partner have with the Council
- 4. Affect land you or your spouse / partner own
- 5. Affect a company that you or your partner own, or have a shareholding in

If the answer is "yes" to any of the above, it is likely to be pecuniary.

Please refer to the guidance given on declaring pecuniary interests in the register of interest forms. If you have a pecuniary interest, you will need to inform the meeting and then withdraw from the room when it is discussed. If it has not been previously declared, you will also need to notify the Monitoring Officer within 28 days.

Does the interest indirectly affect or relate any pecuniary interest you have already declared, or an interest you have identified at 1-5 above?

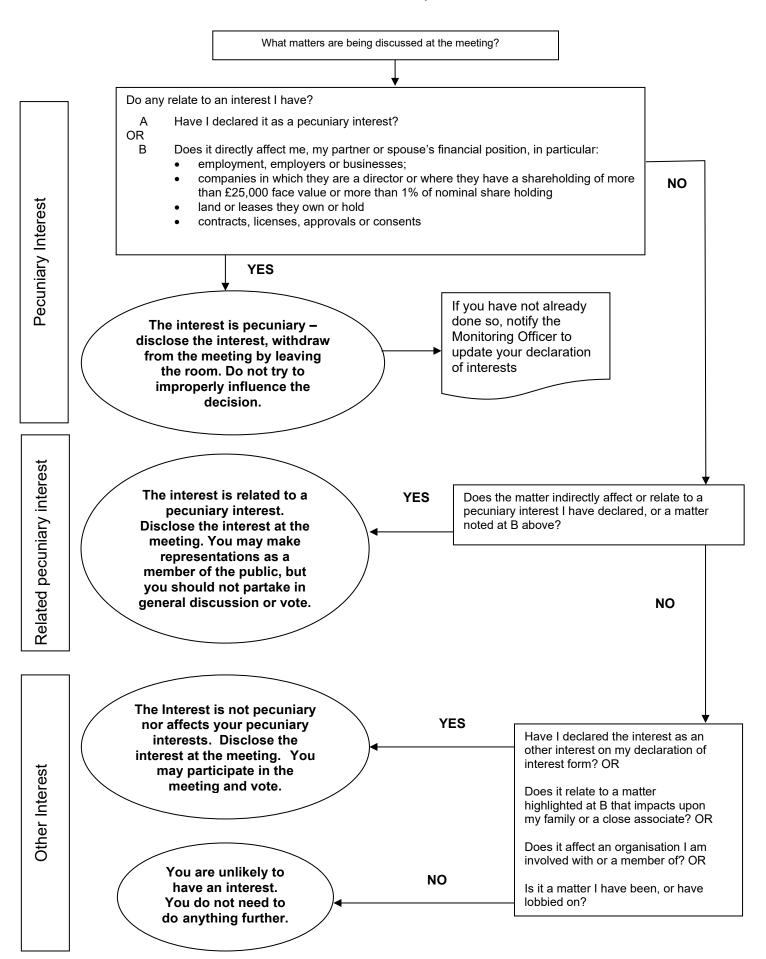
If yes, you need to inform the meeting. When it is discussed, you will have the right to make representations to the meeting as a member of the public but you should not partake in general discussion or vote.

Is the interest not related to any of the above? If so, it is likely to be an other interest. You will need to declare the interest but may participate in discussion and voting on the item.

Have you made any statements or undertaken any actions that would indicate that you have a closed mind on a matter under discussion? If so, you may be predetermined on the issue; you will need to inform the meeting, and when it is discussed, you will have the right to make representations to the meeting as a member of the public but must then withdraw from the meeting.

FOR GUIDANCE REFER TO THE FLOWCHART OVERLEAF.
PLEASE REFER ANY QUERIES TO THE MONITORING OFFICER IN THE FIRST
INSTANCE

#### DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF





#### REGULATION AND PLANNING POLICY COMMITTEE

Minutes of a remote meeting of the Regulation and Planning Policy Committee held on Tuesday 19 May 2020 at 1.00pm

Committee Members Present: Councillors: F Ellis, (Chairman) B Duffin, J Halls, P

Hardy, W Kemp, S Nuri, T Spruce, V

Thomson

**Cabinet Members in** 

Attendance:

Councillors: J Fuller, L Neal

Other Members in Attendance: Councillor: V Clifford-Jackson, Mr T Laidlaw

Officers in Attendance: The Principal Infrastructure and Planning Policy Officers

(Simon Marjoram and Paul Harris)

Also in Attendance: Three members of the public

#### 64 MINUTES

The Minutes of the meeting held on 18 February 2020 were confirmed as a correct record.

### 65 SOUTH NORFOLK VILLAGE CLUSTERS HOUSING ALLOCATIONS DOCUMENT SITE ASSESSMENT FORM AND SITE ASSESSMENT CHECKLIST

The Principal Infrastructure and Planning Policy Officer (Simon Marjoram), advised the meeting that the report sought comments from members on the Site Assessment Form and the Site Assessment Checklist, which would form the basis for the assessment of sites submitted for inclusion in the South Norfolk Village Clusters Housing Allocations Document.

It had been agreed at the last meeting of the Committee on 18 February 2020 that the documents would be considered before the assessment began in late March, but the

Covid-19 pandemic had delayed this and they were, therefore, brought before members today for agreement of the final draft.

Members noted that the Assessment Form used the Norfolk-wide Housing and Economic Land Availability Assessment (HELAA) as a starting point, which met with the requirements of the Norfolk Strategic Planning Framework and, therefore, aligned with the site assessment process in the Greater Norwich Local Plan.

Part one of the Assessment Form looked at site details and assumed a density of 25 dwellings per hectare. This was seen as a realistic density, as sites of this size that had been allocated a lower density had often been approved with a higher density on application.

Part two of the form sets out 'absolute constraints', such as is the site in ancient woodland or a national nature reserve or a flood risk zone etc. Due to their modest size, no sites being considered under the Village Clusters assessment would be of such importance as to outweigh the absolute constraints.

Part three of the form was the suitability assessment, which would assess the sites under the Red/Amber/Green (RAG) reporting system. If the HELAA score for the site was red or amber, but the site promotor had included evidence that the issues could be overcome the site scoring column could changed to reflect this.

The Principal Infrastructure and Planning Policy Officer explained that a significant difference in the Village Clusters assessment related to 'accessibility to local services and facilities' in order to reflect that the focus of the assessment were small scale sites in rural locations. The assessment was split into two parts. Part one used the HELAA methodology, whilst part two increased the range of facilities that counted towards a positive assessment. As the sites were small and in rural locations it was proposed that a green site score would therefore be based on access to three or more core services within 1,800m and that the distance to schools and employment be increased from 2,000m to 3,000m. The agreement of the County Council would be sought on this proposal.

The suitability assessment would also consider criteria such as safe attractive walking routes to encourage a healthy lifestyle and lower carbon emissions. Access to broadband, was an additional criterion under the site score, which was especially significant given the current pandemic. The landscape assessment had also been supplemented to include agricultural land quality, as well as character type and area.

The assessment would be a desktop exercise but would be carried out in consultation internally (e.g. Environmental Health) and externally (e.g. Natural England, Norfolk County Council etc.).

Part four of the form was the Site Visit, which would be undertaken for the majority of sites, to identify the key features of the site and its surroundings.

Part five of the form covered local plan designations.

Part six of the form concerned availability and achievability, which included asking the site promoter to demonstrate the viability of the delivery of the required amount of affordable housing. This would be in accordance with South Norfolk's current affordable housing requirement.

Part seven of the form was the conclusion, which allowed officers to classify the sites into 'preferred' 'reasonable alternatives' and 'rejected' sites.

The Committee noted that the initial timeline had anticipated reaching the Regulation 18 stage on 'preferred' and 'reasonable alternative' sites by September 2020. It was now expected that this would slip by two months due to the pandemic.

In response to a query regarding broadband availability affecting site assessment, it was confirmed that broadband was now a seen as a key utility and if there were no plans to improve or provide it the site would be marked down accordingly.

During discussion, one member urged caution about using the Better Broadband for Norfolk website to assess Broadband availability as in his experience the coverage map on the website was unreliable. In response to a further question, the Panel was advised that formal sport and recreational facilities in the suitability assessment were characterised as designated areas where organised sport could be played.

A member also noted that peak time public transport could be limited to one bus in the morning and one bus in the afternoon, which they considered not to be ideal.

A member commended the greater flexibility of the site assessment form in respect of boundaries.

Cllr J Fuller noted that there were 350 proposed sites across the District, which would support small developers, as well as the local supply chain. He did expressed concern however that Norfolk County Council might object to the increase from 1,200 to 1,500 dwellings. He also emphasised the importance of ensuring that there was local support for the development of the sites.

The Portfolio Holder for Planning and Economic Growth commended officers for their hard work on the documents, which would be more effective by having an increased list of services to meet the suitability criteria and by extending the distances to them.

The Chairman also commended both documents and proposed that they be approved as presented.

The Panel supported the proposal unanimously and it was:

#### **RESOLVED**

To approve the South Norfolk Village Clusters Allocations Site Assessment Form and Site Assessment Checklist.

(The meeting concluded 1.55 pm)	
Chairman	



## Agenda Item: 5 SNC Regulation and Planning Policy Committee 17 September SNC Cabinet 28 September

Response to Ministry of Housing, Communities and Local Government (MHCLG) Consultations

Report Author(s): Helen Mellors

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Portfolio: Cllr John Fuller - External Affairs and Policy, Cllr Lisa Neal -

Stronger Economy

Ward(s) Affected: All

#### Purpose of the Report:

To outline the key issues and to agree the Council's consultation responses to the following consultation documents issued by the Ministry of Housing, Communities and Local Government (MHCLG):

- Changes to the current planning system due 1 October
- White Paper: Planning for the future comments due 29 October

#### Recommendations:

1. To agree the draft responses to the following MHCLG consultation documents as outlined in appendices 1 and 2 of this report:

Changes to the current planning system

White Paper: Planning for the future

2. Delegate any updates to these responses to the Director of Place in consultation with the Leader and Portfolio Holder for Stronger Economy

#### 1 SUMMARY

1.1 The purpose of the report is to advise Members of the general direction of travel and key changes proposed by MHCLG on the future of the planning regime. Members are also asked to agree the responses, as drafted, on the questions posed in these consultation documents or propose revisions to these draft responses.

#### 2 BACKGROUND

- 2.1 The Government published two documents relating to the planning system for consultation on 06 August 2020. The first document, a White Paper entitled "Planning for the Future", sets out plans to undertake a fundamental review of the planning system. The second is a consultation on shorter-term changes to the planning system. Consultation on Planning for the Future closes on 29 October 2020. Consultation on "changes to the planning system" closes on 1 October 2020.
- 2.2 This report outlines the key themes in each paper and how these proposed changes may have an impact on the future of planning moving forward.

#### 3 CURRENT POSITION/FINDINGS

A summary of each consultation document is as follows:

#### 3.1 Changes to the current planning system

The proposed changes in this paper cover the following areas:

- Changes to the standard methodology for assessing local housing need
- Securing First Homes
- Lifting the small sites threshold, below which affordable housing would not be required from 10 homes to either 40 or 50 homes.
- Extending the current Permission in Principle provisions to major development

Each of the above bullet points are explored further under the following sub-headings:

#### Standard Methodology for the assessment of local housing need

#### 3.2 Context/Background

The standard methodology is a formula set by Government which identifies a minimum annual housing need figure which Councils are expected to use for strategic planning purposes. Because the housing need figure is a core factor in the strategic planning for an area and will shape the future of a place the importance of the standard methodology should not be underestimated.

Wider policy proposals which will set binding housing requirements are set out in "Planning for the Future" but in advance of these changes being implemented "Changes to the current planning system" sets out a revised method for calculating local housing need.

The purpose of changes to the standard methodology are to:

 ensure the methodology is more agile in up-to-date data (the current methodology relies on the 2014-based household projections);

- achieve a better distribution of homes, reflecting current and emerging high-demand areas and those areas where housing is least affordable;
- ensure that the outcomes of the methodology are more predictable; and, perhaps most critically;
- ensure that the housing market can deliver 300,000 homes annually and one million over the course of the current parliament.

By directing that sufficient land should be released government intends to ensure that the supply of housing land does not become a limiter in achieving national housing aspirations.

#### 3.3 Government's proposed approach

The Government's new approach includes three amendments to the current standard methodology:

- a) Take account of current levels of housing stock in a local authority area as well as projected household growth.
- b) Increased emphasis on, and responsiveness of, the required affordability adjustment
- c) Removing the cap on housing requirement that limited the increases an individual authority could face.

#### 3.4 National Impact

At a national level, government has concluded that the impact of the new standard methodology will result in:

- a national housing need of 337,000 per year;
- 76% of the national local housing need being focused in local authorities classified as urban;
- 141 authorities (excluding London boroughs) having a change of over 25% when compared to the higher of what most areas have recently planned for.

#### 3.5 Transition Arrangements

The Local Plan will be expected to meet the minimum targets set out in the new standard methodology subject to the following transitional arrangements:

From the date revised guidance is published:

- a) Authorities which have already undertaken a Regulation 19 consultation (members are advised that a Regulation 19 consultation is one of the final stages of the plan making process) be given 6 months to submit their plan for examination;
- b) Authorities which have not undertaken a Regulation 19 consultation be given 3 months to publish their Regulation 19 consultation and then a further 6 months to submit their plan to the Planning Inspectorate.

#### 3.6 Next Steps

Government intends to implement this change through an update to national planning practice guidance following the outcome of the consultation.

In order for the Greater Norwich Local Plan (GNLP) to benefit from these transitional arrangements the process to adopt the plan will need to be accelerated. However, if the accelerated timetable is not met then work on the current GNLP will have to cease and work would begin on preparing for a local plan under the new planning regime. If this happens the GNLP will need to ensure that it meets its requirements under the revised standard methodology.

#### **Securing First Homes**

- 3.7 The Government intends to set out in national planning policy that a minimum of 25% of all affordable housing units secured through developer contributions should be First Homes. In addition, in order to be deemed "policy compliant" affordable housing delivered under the new policy should capture the same amount of value for affordable housing.
- 3.8 The Government proposes two options for how the tenure mix of the remaining 75% of affordable housing required is negotiated. Crudely:
  - First homes replace other affordable home ownership products e.g. shared ownership, with the remaining tenure split requirements spread proportionally over the remaining 75%:

or

Local authorities and developers can negotiate the tenure mix for the remaining 75%.

Government is considering whether Build to Rent schemes, which are currently exempt from affordable housing requirements, should be exempt from the requirement to provide First Homes. First Homes would be exempt from the payment of CIL like other tenures of affordable housing.

Plan making authorities would have discretion to increase the minimum 30% discount to 40% or 50% where it is justified by local evidence.

Where negotiations on planning applications are significantly advanced then it has been indicated that local authorities should have the flexibility to accept other tenure mixes, although consideration should be given as to whether First Homes could be easily substituted for another tenure at 25% or a lower proportion.

#### 3.9 Exception Sites\*

The current entry-level exception sites policy set out in national policy would be replaced by a First Homes exception policy. First Home exception sites would not be subject to the 1-hectare restriction currently set out for entry-level exceptions in the NPPF but should still be proportionate to the size of the settlement.

It is proposed that the current rural exception sites policy should be retained as a vehicle for delivering affordable housing in designated rural areas. Government considers this an underused mechanism however and will update planning guidance in due course.

\*note: exception sites are currently sites that are not allocated for development but are granted planning permission as an exception in order to deliver affordable housing to meet an identified need in an area.

#### Lifting the small sites threshold (supporting small and medium-sized developers)

3.10 Government recognises that SME builders can make an important contribution to overall housing supply but that they have been in long-term decline and were hit hard by the last

recession and are now under further pressure due to Covid-19. To support SMEs, government is proposing to reduce the burden of planning contributions on SMEs for a time limited period.

To this end, Government intends to raise the small sites threshold (the level below which contributions to affordable housing should not be sought) from 10 to 40 or 50 new homes. This threshold is to be raised for an initial period of 18 months. To illustrate this change a development of 30 new homes would currently be expected to provide circa 10 affordable homes as part of the scheme. This inevitably reduces the return on a site. Therefore under this proposal, and for a temporary period of 18months, there will be no requirement to provide affordable homes on such a site.

#### 3.11 Next Steps

It is possible that these changes could be taken forward through the introduction of a Written Ministerial Statement in the autumn.

#### **Extension of the Permission in Principle consent regime**

3.12 Permission in Principle was introduced in 2017 by giving local planning authorities the power to grant Permission in Principle to suitable sites allocated on registers of brownfield land. Planning permission by application for minor development (sites for fewer than 10 dwellings) was introduced in 2018.

Permission in Principle is designed to separate decision making on "in principle" issues addressing land use, location and scale of development from technical matters such as the design of buildings, tenure mix, transport and environmental matters.

As part of its approach to supporting economic recovery, Government wants to make it easier for developers and landowners to secure Planning Permission in Principle. To do this it intends to:

- Extend the Planning in Principle by application routes to major sites of 10 or more dwellings (subject to Environmental Impact Assessment or Habitat Regulations Assessment).
- Remove the 1,000sqm/1-hectare cap for applications for Planning Permission in Principle, the requirement that housing must occupy the majority of the overall scheme proposed will remain.
- Set a new banded fee structure, which reduces the overall cost of applying for Planning Permission in Principle.
- Provide further guidance on the purpose, process and benefits of Planning Permission in Principle.

#### 3.13 Next Steps

Subject to consultation, Government intends to introduce amendments to the regulations by this autumn to come into forecast by the end of the calendar year.

#### White Paper – Planning for the Future

The key changes in the White Paper can be summarised as follows:

#### 3.14 Local Plans

The Government intends to simplify the role of Local Plans so that they focus on identifying land under one of three categories –

- Growth areas: these are areas which are suitable for substantial development. Land identified as being in a growth area will automatically be treated as benefitting from outline planning permission for development. The type and form of the development would be specified in the Plan. It is envisaged that this category will include land suitable for comprehensive development, including new settlements and urban extension sites, and areas for redevelopment, such as former industrial sites or urban regeneration sites.
- Renewal areas: these are areas which are suitable for some development, such as gentle densification. This would include existing built up areas where smaller scale development is appropriate. It could also include small sites within or on the edge of villages and towns. There would be a statutory presumption in favour of development being granted for the uses specified as being suitable in each area. Local authorities could continue to consider the case for resisting inappropriate development of residential gardens.
- Protected areas: protected areas are where an area, because of its environmental
  and/or cultural characteristics, would justify more stringent development controls to
  ensure sustainability. This would include areas such as Green Belt, Areas of
  Outstanding Natural Beauty (AONBs), Conservation Areas, Local Wildlife Sites, areas
  of significant flood risk and important areas of green space. At a smaller scale it can
  continue to include gardens in line with existing policy in the National Planning Policy
  Framework. It would also include areas of open countryside outside of land in Growth
  or Renewal areas.
- 3.15 Local Plans should set clear rules rather than general policies for development. General development management policies will be set nationally, with a more focused role for Local Plans in identifying site and area-specific requirements, alongside locally produced design codes.
- 3.16 As a result of the above points the primary focus of plan-making will be on identifying areas for development and protection and on shaping *Growth* areas and *Renewal* areas by the drafting of design codes and masterplans. The National Planning Policy Framework would become the primary source of policies for development management and there would be no provision for the inclusion of generic development management policies which simply repeat national policy within Local Plans
- 3.17 Local Plans should be subject to a single statutory "sustainable development" test, and unnecessary assessments and requirements that cause delay and challenge in the current system should be abolished. This would mean replacing the existing tests of soundness, updating requirements for assessments (including on the environment and viability) and abolishing the Duty to Cooperate
- 3.18 It will be a requirement that Local Plans are built on standardised, digitally consumable rules and data, enabling accessible interactive maps that show what can be built where. The data will be accessed by software used across the public sector and by external PropTech entrepreneurs to improve transparency, decision-making and productivity in the sector.
- 3.19 In parallel to the interim arrangements for the standard methodology referred to above the White Paper also addresses the **standard method for establishing housing**

**requirement figures**. A local area's housing requirement figure will not be set locally but it will be set by Government and it is intended to ensure enough land is released in the areas where affordability is worst and stop land supply being a barrier to enough homes being built.

- 3.20 In the current system the combination of the five-year housing land supply requirement, the Housing Delivery Test and the presumption in favour of sustainable development act as a check to ensure that enough land comes into the system. The proposed approach should ensure that enough land is planned for, and with sufficient certainty about its availability for development, to avoid a continuing requirement to be able to demonstrate a five-year supply of land. However, having enough land supply in the system does not guarantee that it will be delivered, and so proposed to maintain the Housing Delivery Test and the presumption in favour of sustainable development as part of the new system
- 3.21 Local Plans will be developed over a fixed 30-month period
- 3.22 **Neighbourhood Plans** should be retained as an important means of community input, and Government will support communities to make better use of digital tools

#### **Development Management**

- 3.23 The Government want to move to a position where all development management policies and code requirements, at national, local and neighbourhood level, are written in a machine-readable format so that wherever feasible, they can be used by digital services to automatically screen developments and help identify where they align with policies and/or codes.
- 3.24 It is also envisaged that there will be a streamlined development management process with automatic planning permission for schemes in line with plans. Areas identified as *Growth* areas (suitable for substantial development) would automatically be granted outline planning permission for the principle of development, while automatic approvals would also be available for pre-established development types in other areas suitable for building.
- 3.25 In areas suitable for development (*Renewal* areas), there would be a general presumption in favour of development established in legislation (achieved by strengthening the emphasis on taking a plan-led approach, with plans reflecting the general appropriateness of these areas for development).
- 3.26 In areas where development is restricted (*Protected* areas) any development proposals would come forward as now through planning applications being made to the local authority (except where they are subject to permitted development rights or development orders), and judged against policies set out in the National Planning Policy Framework
- 3.27 It is anticipated that planning applications will be shorter and more standardised. The amount of key information required as part of the application should be reduced considerably and made machine-readable
- 3.28 Government propose that there should be a clear incentive on the local planning authority to determine an application within the statutory time limits. This could involve the automatic refund of the planning fee for the application if they fail to determine it within the time limit. But Government also want to explore whether some types of applications should be deemed to have been granted planning permission if there has not been a timely determination, to ensure targets are met and local authorities keep to the time limit in the majority of cases

- 3.29 Government also want to make it easier for those who want to build beautifully through the introduction of a fast-track for beauty through changes to national policy and legislation. This could include automatically permitting proposals for high-quality developments where they reflect local character and preferences.
- 3.30 Government will publish a National Model Design Code to supplement the guide, setting out more detailed parameters for development in different types of location: issues such as the arrangement and proportions of streets and urban blocks, positioning and hierarchy of public spaces, successful parking arrangements, placement of street trees, and high quality cycling and walking provision, in line with our wider vision for cycling and walking in England.
- 3.31 To support the transition to a planning system which is more visual and rooted in local preferences and character, a body to support the delivery of provably locally-popular design codes will be set up, and it is proposed that each authority should have a chief officer for design and place-making.
- 3.32 Propose to legislate to widen and change the nature of permitted development, so that it enables popular and replicable forms of development to be approved easily and quickly, helping to support 'gentle intensification' of our towns and cities, but in accordance with important design principles
- 3.33 Requirements for environmental assessment and mitigation need to be simpler to understand and consolidated in one place so far as possible, so that the same impacts and opportunities do not need to be considered twice
- 3.34 From 2025, Government expect new homes to produce 75-80 per cent lower CO2 emissions compared to current levels. These homes will be 'zero carbon ready', with the ability to become fully zero carbon homes over time as the electricity grid decarbonises, without the need for further costly retrofitting work.

#### **Developer Contributions**

- 3.35 The Community Infrastructure Levy and the current system of planning obligations will be reformed as a nationally set, value-based flat rate charge (the 'Infrastructure Levy').
- 3.36 The single rate, or area-specific rates, would be set nationally. It would aim to increase revenue levels nationally when compared to the current system. Revenues would continue to be collected and spent locally. As a value-based charge across all use classes, Government believe it would be both more effective at capturing increases in value and would be more sensitive to economic downturns. It would reduce risk for developers, and would reduce cashflow difficulties, particularly for SME developers. In areas where land value uplift is insufficient to support significant levels of land value capture, some or all of the value generated by the development would be below the threshold, and so not subject to the levy. In higher value areas, a much greater proportion of the development value would be above the exempt amount, and subject to the levy.
- 3.37 To better support the timely delivery of infrastructure, Government would also allow local authorities to borrow against Infrastructure Levy revenues so that they could forward fund infrastructure. Enabling borrowing combined with a shift to levying developer contributions on completion of a development, is intended incentivise local authorities to deliver enabling infrastructure, in turn helping to ensure development can be completed faster.

#### **Enforcement**

3.38 As part of the implementation of our planning reforms, Government want to see local planning authorities place more emphasis on the enforcement of planning standards and decisions. Government will also seek to strengthen enforcement powers and sanctions.

#### 4 PROPOSED ACTION

4.1 To respond to the questions outlined in both consultations documents having regard to the summary of the changes contained in this report. The draft responses are attached in appendices 1 and 2.

#### 5 OTHER OPTIONS

5.1 There is no requirement to respond to these consultations and so Members could choose to not comment.

#### 6 ISSUES AND RISKS

6.1 It is acknowledged that the changes proposed in this consultation will radically alter the planning regime and shape our area but as this is only a consultation at this stage the final changes are not known at this time. Consequently, it is not possible to identify any key risks. However, as referred to above Members are advised that the proposals will require the current GNLP process to be accelerated or alternatively, if sufficient progress is not made by the end of this year, the current process will cease and work will start on preparing for a local plan under the new regime.

#### 6.2 **Resource Implications**

When the changes are implemented they will have an impact on resources. It is likely that greater resource would be focused on the plan making process, design codes and masterplanning and Government anticipate that this would relieve some of the current resource pressures on development management. Government also envisage greater resource being directed at planning enforcement.

Although the details of the new regime are yet to be developed the fact that outline planning permission would be automatically granted in Growth areas could lead to a significant drop in planning application fees.

#### 6.3 Legal implications

None directly

6.4 **Equality Implications** - an Equalities and Communities Impact Assessment is not required at this time.

#### 6.5 **Environmental Impact**

There are none directly to consider as part of the consultation process.

#### 6.6 Crime and Disorder

There are none directly to consider as part of the consultation process

#### 6.7 **Risks**

There are none directly to consider as part of the consultation process

#### 7 CONCLUSION

7.1 To note and to agree the direction of travel as outlined in the two papers and this report and to respond to the consultation questions as outlined in appendices 1 and 2.

#### 8 RECOMMENDATIONS

- 8.1 Cabinet is asked to:
  - 1. Agree the draft responses to the following MHCLG consultation documents as outlined in appendices 1 and 2 of this report:

Changes to the current planning system

White Paper: Planning for the future

2. Delegate any updates to these responses to the Director of Place in consultation with the Leader and Portfolio Holder for Stronger Economy

#### **Appendices**

Appendix 1: Planning for the Future consultation response

Appendix 2: Changes to the current planning system consultation response

#### **Background Papers**

MHCLG Planning for the Future White Paper August 2020

Changes to the current planning system August 2020

#### **APPENDIX 1**

## Proposed responses to the questions outlined in the MHCLG White Paper: Planning for the Future

- 1. What three words do you associate most with the planning system in England?
- 2(a). Do you get involved with planning decisions in your local area?

Yes

2(b). If no, why not?

N/A (we are a local planning authority)

3. Our proposals will make it much easier to access plans and contribute your views to planning decisions. How would you like to find out about plans and planning proposals in the future?

Whilst this question is not directly relevant to this Council because it is the local planning authority, the Government's intention to make it easier to access plans and contribute to planning decisions is fully supported.

It should be noted that whilst improved online access is crucial it is essential that non electronic means of engagement are available for those who do not have access to IT.

- 4. What are your top three priorities for planning in your local area? (select from the following list)
  - Building homes for young people
  - Building homes for the homeless
  - Protection of green spaces
  - The environment, biodiversity and action on climate change
  - Increasing the affordability of housing
  - The design of new homes and places
  - Supporting the high street
  - Supporting the local economy
  - More or better local infrastructure
  - Protection of existing heritage buildings or areas
  - Other please specify

#### Suggested response:

- 1. Supporting the local economy and jobs to ensure we have a strong, enterprising, productive and broad-based economy
- 2. Building new homes ensuring we have high quality new homes to meet the growing and changing needs of current and future residents. To ensure we have timely delivery to meet our housing needs we need to ensure the timely delivery of infrastructure to support growing communities.

3. Unlocking the substantial commitment and deliver new dwellings already granted consent

#### 5. Do you agree that Local Plans should be simplified in line with our proposals?

Suggested response:

Yes, we agree that local plans need to be simplified, and this should not be at the expense of democratic engagement and ensuring that local planning authorities have the resources to deliver plans in a timely manner.

To develop the 3 areas will require significant analysis as part of the plan making process and community engagement.

We are concerned that frontloading the local plan process, which we welcome, will put additional pressure on statutory consultees who will need to engage in this process. At present many struggle to comment within the statutory timescales for planning applications. We question whether nationally there are the resources available to engage with most local planning authorities at the same time.

Expertise and resources will be needed for local planning authorities to undertake character appraisals for a whole district to inform design codes. It will take time to develop these and articulate them in the plan for the three areas and to then digitise this.

There is a concern that allocations will be based on less evidence.

It will take time to establish new IT systems and data sets to be able publish documents and consult on the allocations.

Clarification will be needed as to whether neighbourhood plans will need to be prepared in the same way and will reflect the details in the local plan. If they are not updated alongside the new local plan, to similar design standards, then they will soon be out of date. This has the potential to create conflict in the decision-making process which Government is seeking to simplify.

Director of Place comment: The need to simplify Local Plans is evident to anyone who has a basic understanding of the planning system. The principle of identifying land in one of 3 different areas - growth, renewal or protected - is sound. Furthermore, the need for comprehensive and constructive local engagement, especially with Parish and Town Councils, will be crucial to the success of the new, simplified plans and significant resource will need to be directed to such engagement at the outset of the new plan making process. The issues raised in the suggested response above are legitimate concerns which will need to be addressed in the details of the new regime. Members are also advised that the concerns regarding the time required to adequately prepare for adopting a plan under the new regime are reasonable concerns but there is nothing to stop the local planning authority commencing these preparations prior to the new regime being implemented. This could potentially put the Council on the 'front foot' and be at the vanguard of the new regime.

### 6. Do you agree with our proposals for streamlining the development management content of Local Plans, and setting out general development management policies nationally?

#### Suggested response:

The principle of having generic policies to cover the majority of subject areas (e.g. neighbour amenity, highway safety, heritage setting, landscape character) is supported but consideration needs to be given to how local characteristics or specific requirements to address local constraints are addressed in a national policy framework.

Neighbourhood plans would also need to be simplified accordingly.

## 7(a). Do you agree with our proposals to replace existing legal and policy tests for Local Plans with a consolidated test of "sustainable development", which would include consideration of environmental impact?

#### Suggested response:

There is insufficient information at present to answer this in detail as it is not clear how environmental protection will be secured. It may be difficult to front load any mitigation without assessing and knowing the environmental impacts of the plan.

It is hoped that there will be a statutory duty for national consultees to be involved at this stage. Again, we have concerns that there will be adequate resources and skills available at a national level.

Consideration needs to be given to how Appropriate Assessments are to be carried out as part of the new regime.

Director of Place comment: the current legal and policy tests for Local Plans are onerous and they slow the current plan making process down. They result in substantial amounts of additional information and it is questionable whether this information adds significant value to the final, adopted plan. Full consideration of the environmental impact is very important and the concerns raised above will need to be addressed by Government, but this must be constantly balanced with the other strands of sustainable development, notably the economic and social impacts.

### 7(b). How could strategic, cross-boundary issues be best planned for in the absence of a formal Duty to Cooperate?

#### Suggested response:

This Council is a partner in the Greater Norwich Development Partnership (GNDP). This has been a highly successful partnership and has been seen as an exemplar of joint working for planning and the delivery of growth for many years. Whilst it is recognised that the formal Duty to Cooperate has created many challenges for local authorities across the country it is important to acknowledge that planning issues are not restricted to local authority boundaries and communities are likely to adversely impacted by a lack of 'joined up' planning. Therefore local authorities should be incentivised to work together and plan together to deliver growth across wider geographical areas.

In addition informal relationships already exist in Norfolk, with the Norfolk Strategic Planning Framework made up of all 7 LPAs in Norfolk which seeks to encourage cross boundary planning. This sort of informal relationship should also be encouraged and incentivised.

To rely on the new digital local plan to inform cross boundary issues will take time to develop. Will the Government be setting up a national IT platform?

### 8(a). Do you agree that a standard method for establishing housing requirements (that takes into account constraints) should be introduced?

#### Suggested response:

Yes. To support the development of quick local plans a simpler methodology has to be implemented.

However, the numbers arising from a standard methodology must be realistic and deliverable. At present the figures arising from the proposed standard methodology for this Council are not deliverable.

We will also need a mechanism to plan for affordable housing needs and the needs of different groups and ensure that these are delivered to meet the requirements of all future residents.

### 8(b). Do you agree that affordability and the extent of existing urban areas are appropriate indicators of the quantity of development to be accommodated?

Suggested response:

Yes. However, there is a need to take account of capacity to deliver growth in these areas and ensure that some local authorities are not required to deliver less houses than they have in the past.

Furthermore, these indicators should not be used in a manner that precludes rural areas and there needs to be a balance with sustaining rural settlements by allowing development

### 9(a). Do you agree that there should be automatic permission for areas for substantial development (Growth areas) with faster routes for detailed consent?

Suggested response:

Yes. To ensure this is implemented effectively resources will need to be available at the plan making stage to ensure that sites are capable of being delivered.

Currently site allocation is effectively an outline permission. There is also a need to fully understand how developer contributions are going to be secured and how will the loss of planning application fee income be mitigated?

The confidence of existing communities in the proposed regime will very much depend on the engagement process during plan making and the level of detail that can be agreed at the "reserved matters" stage.

Notwithstanding the support for faster routes for detailed consent the benefits of this proposal will undermined if delivery is subsequently stalled by landowners and/or developers. Therefore there needs to be stronger incentives or sanctions for landowners and/or developers who fail to deliver the development in an expedient manner. For example the Council could be entitled to step in to secure the land at pre-allocation land values and deliver the site itself.

Director of Place comment: This proposal gives greater certainty to developers and communities about future growth in an identified are of growth. However, it is crucial that local communities, parish and town councils and other stakeholders are fully engaged in the new plan making process and that we direct adequate resources at this front end engagement. It will also require us to direct significant resources at ensuring high quality design codes and masterplans at the front end of the process.

### 9(b). Do you agree with our proposals above for the consent arrangements for Renewal and Protected areas?

Suggested response:
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Yes.

### 9(c). Do you think there is a case for allowing new settlements to be brought forward under the Nationally Significant Infrastructure Projects regime?

Suggested response:

Yes, where promoted and supported by the local planning authority. Comprehensive and clear scale parameters would be required.

However, there is also an opportunity to plan for these through the new local plan process.

Director of Place comment: it is anticipated that the new housing numbers in Greater Norwich will increase under the new regime and in order to meet this need the Greater Norwich Partners will have to give serious consideration to identifying a site for a new settlement. However, a new settlement generates very high upfront infrastructure costs and there is a clear argument that if this area is going to plan for, and deliver, a new settlement then it should be backed and supported by Government to help deliver it.

#### 10. Do you agree with our proposals to make decision-making faster and more certain?

Suggested response:

Yes. Proposals for speeding up the process and greater certainty for applicants are welcomed. However, as stated in the response to 9(a) there needs to be greater certainty of speedy delivery by landowners and developers. At present South Norfolk has extant planning permission for 7,494 homes and there needs to be greater pressure placed upon the whole development sector to bring these permissions forward to delivery.

Consideration must be given to the resource implications required to set up systems and for this to be available and implemented by all local planning authorities.

The potential lack of public engagement at the application stage is also a concern.

#### 11. Do you agree with our proposals for digitised, web-based Local Plans?

Suggested response:

Yes, but consideration will still need to be given for other platforms as not all members of the public have access to IT

Resources and funding will be needed to facilitate this.

### 12. Do you agree with our proposals for a 30-month statutory timescale for the production of Local Plans?

Suggested response:

Yes. We support the principle of speeding up the plan making process.

### 13(a). Do you agree that Neighbourhood Plans should be retained in the reformed planning system?

Suggested response:

Yes. Reviews will need to run in parallel to the new Local Plan

It should be noted that there are concerns regarding the requirement for web-based data and the affordability of this for parish and town councils.

### 13(b). How can the neighbourhood planning process be developed to meet our objectives, such as in the use of digital tools and reflecting community preferences about design?

Suggested response:

Additional funding will be required to support the neighbourhood planning process.

### 14. Do you agree there should be a stronger emphasis on the build out of developments? And if so, what further measures would you support?

Suggested response:

Yes, there should be a stronger emphasis on delivery.

The cost and delivery of infrastructure is an issue and the funding of this should be front loaded to enable quick build outs.

Anything arising from the new planning regime which increases the risk to developers is likely to result in lower delivery rates

### 15. What do you think about the design of new development that has happened recently in your area?

Not sure or indifferent / Beautiful and/or well-designed / Ugly and/ or poorly-designed / There hasn't been any / Other – please specify

Suggested response:

A high proportion of development in this Council's jurisdiction is well designed and appropriate for its context. However, there are pockets of mediocre development and this tends to be where national housebuilders build at scale in a manner that is less imaginative.

There is also a growing tendency for developers to reduce their own development costs and pass these costs onto future occupiers. Examples include a larger proportion of homes being accessed via private, unadopted roads and open/play space funded by resident funded management companies. This can lead to a gradual, long term erosion of the quality of these areas.

### 16. Sustainability is at the heart of our proposals. What is your priority for sustainability in your area?

Less reliance on cars / More green and open spaces / Energy efficiency of new buildings / More trees / Other – please specify

Suggested response:

Social sustainability and social mobility – maintaining the vitality and viability of our communities and enhancing the opportunities for all residents to prosper

### 17. Do you agree with our proposals for improving the production and use of design guides and codes?

Suggested response:

A national design guide is likely to be very generic and will not reflect local characteristics or distinctiveness, plus there will be a need to undertake further local guides. Reliance on national codes will not address local distinctiveness and it could result in national housebuilders developing the same style of houses throughout the country.

It is therefore likely that further guides to reflect the local characteristics of different areas within the district will be required.

Local authorities will need time to get all of this in place to an adequate standard and to ensure that there is effective input from the local community.

## 18. Do you agree that we should establish a new body to support design coding and building better places, and that each authority should have a chief officer for design and place-making?

Suggested response:

Yes. However, any new body must have a clear remit and responsibility which does not duplicate other bodies.

### 19. Do you agree with our proposal to consider how design might be given greater emphasis in the strategic objectives for Homes England?

Suggested response:

Yes

#### 20. Do you agree with our proposals for implementing a fast-track for beauty?

Suggested response:

No. See above comments regarding concerns about design codes. Beauty and design are very subjective and could be interpreted in more than one way and therefore it is extremely difficult to pre-empt and fast track schemes that are deemed beautiful. Beauty is more than a tick box exercise and is unlikely to be achieved by such a fast track scheme.

### 21. When new development happens in your area, what is your priority for what comes with it?

More affordable housing / More or better infrastructure (such as transport, schools, health provision) / Design of new buildings / More shops and/or employment space / Green space / Other – please specify

Suggested response:

The health and wellbeing of new and existing residents delivered through community integration, affordability, infrastructure (including 'green') and access to services.

22(a). Should the Government replace the Community Infrastructure Levy and Section 106 planning obligations with a new consolidated Infrastructure Levy, which is charged as a fixed proportion of development value above a set threshold?

Suggested response:

Yes. This proposal will be clearer for developers and assist SMEs

22(b). Should the Infrastructure Levy rates be set nationally at a single rate, set nationally at an area-specific rate, or set locally?

Suggested response:

Nationally at an area-specific rate

## 22(c). Should the Infrastructure Levy aim to capture the same amount of value overall, or more value, to support greater investment in infrastructure, affordable housing and local communities?

Suggested response:

The value should be at least comparable to current CIL to ensure continuity of existing infrastructure investment programmes.

It will be important to have clear guidance on how a new IL relates to existing committed CIL spending. There may need to be some form of ring fencing of existing CIL commitments as there is a danger that existing CIL payments will be converted into the IL with the submission of a new planning application? This would have a very damaging impact upon our existing infrastructure delivery programme and our repayment of borrowing for existing infrastructure projects.

### 22(d). Should we allow local authorities to borrow against the Infrastructure Levy, to support infrastructure delivery in their area?

Suggested response:

Yes

### 23. Do you agree that the scope of the reformed Infrastructure Levy should capture changes of use through permitted development rights?

Suggested response:

Yes. In addition existing exemptions such as self-build and self-commissioned homes should be removed.

## 24(a). Do you agree that we should aim to secure at least the same amount of affordable housing under the Infrastructure Levy, and as much on-site affordable provision, as at present?

Suggested response:

Yes

### 24(b). Should affordable housing be secured as in-kind payment towards the Infrastructure Levy, or as a 'right to purchase' at discounted rates for local authorities?

Suggested response:

We strongly support the principle of mandatory on-site delivery of affordable housing. It is accepted that treating it as in-kind delivery of the Infrastructure Levy is reasonable. We note that footnote 16 confirms that a S106 planning obligation could still be used, and we also support this approach, with which housebuilders are already familiar.

On-site delivery has proved to be achievable for many years, and it has the advantage of 'instant' provision. We are aware that in some places it can be very difficult to acquire suitable sites and to spend commuted sums (or the future Infrastructure Levy) in a timely cost-effective way.

### 24(c). If an in-kind delivery approach is taken, should we mitigate against local authority overpayment risk?

Suggested response:

Yes

### 24(d). If an in-kind delivery approach is taken, are there additional steps that would need to be taken to support affordable housing quality?

#### Suggested response:

All housing should follow the same design code and 'internal standards' principles. if such internal standards are not to be required in all homes, it would be important to ensure quality (especially internal space standards and the potential for suitability for wheelchair-users).

### 25. Should local authorities have fewer restrictions over how they spend the Infrastructure Levy?

#### Suggested response:

Yes. A limited relaxation of the restrictions would be welcomed but it should not undermine the need to deliver infrastructure to support growth. The current restriction for parish and town councils' spend of CIL receipts may be appropriate: "anything that is concerned with addressing the demands that development places on an area"

#### 25(a). If yes, should an affordable housing 'ring-fence' be developed?

Suggested response:

Yes

## 26. Do you have any views on the potential impact of the proposals raised in this consultation on people with protected characteristics as defined in section 149 of the Equality Act 2010?

#### Suggested response:

While digitalisation of the planning process seems appropriate it is important that steps are taken to ensure that those who would not or cannot access adequate broadband, for example some older people, people on low incomes and those living in rural areas, have a fair method of accessing the process.

In relation to the national design code consideration should also be given to improving accessibility standards in housing. People with physical disabilities will not be able to obtain a suitable home if internal design standards for accessibility/mobility are not specified. Design requirements linked to Part M of the Building Regulations (Category 2 and Category 3) would overcome this problem.

#### **Appendix 2**

## Proposed responses to the questions outlined in the MHCLG consultation: Changes to the current planning system

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?

Suggested response:

Yes. It is important that the methodology ensures that built up areas deliver an appropriate amount of housing and taking account of existing housing stock could assist with this.

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.

Suggested response:

It is appropriate that the percentage applied ensures that built up areas continue to deliver at their historic rates as a minimum.

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.

Suggested response:

Yes

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.

Suggested response:

It makes sense to take account of the cost of housing and apply this as an adjustment to the housing figures, but there is a need to ensure it doesn't place too great a burden on an area which may make delivery of the housing figures unrealistic.

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

Suggested response:

The weighting is not necessarily a problem in isolation, but when the measures in Q3 and Q4 above are multiplied it is evident that the burden upon a local area is potentially unreasonable and unrealistic.

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?

Suggested response:

Yes. However, if the above concerns regarding unreasonable housing numbers are not addressed under the new regime longer transition periods should be applied to avoid a significant number of developers making predatory applications in light of much higher housing numbers. This is even more important if any form of housing delivery test and 5 year land supply is to be retained.

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?

Suggested response:

Yes

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)

Suggested response:

Option i.

Local Planning Authorities have Housing Needs Assessments which provide evidence of affordable housing need by tenure, number of bedrooms and property type. This evidence should be used (as now) to achieve affordable homes for people who cannot benefit from First Homes. We are content that, having top-sliced the 25% affordable home ownership obligation, option (i) enables the Council to deliver affordable homes for rent and other affordable ownership tenures. This is extremely important in areas such as Broadland and South Norfolk, where about 90% of general needs affordable homes are delivered through s106 agreements, and there is unmet housing need.

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?

Suggested response:

Paragraph 62 of the NPPF provides 4 exemptions from the requirement to include affordable home ownership. These are where the site

- a) provides solely for Build to Rent homes;
- b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly of students);
- c) is proposed to be developed by people who wish to build or commission their own homes; or
- d) is exclusively for affordable housing, an entry-level exception site or a rural exception site.

Build to Rent (a) can deliver Affordable Private Rent. This is a new tenure, and on balance we feel that such sites should remain exempt so that the potential benefits can be established in practice.

Specialist accommodation (b) should remain exempt so that the accommodation can be directed towards the designated groups without potential adverse influences.

Custom build sites (c) should also remain exempt to provide flexibility over affordable housing obligations (although we note that there are likely to be few such sites which exceed the proposed small sites threshold).

Sites exclusively for affordable housing (d) should remain exempt. It is important that Registered Providers and local authorities have the necessary flexibility to provide affordable homes which meet local needs, and they can take advantage of funding opportunities from Homes England and other sources (such as commuted sums). We note that the reference to entry-level exception sites will be superseded by the new First Homes exception sites.

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

Suggested response:

No. See Q9 above.

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

Suggested response:

We suggest exempting community-led developments (generally via Community Land Trusts), which might not be 100% affordable housing.

### Q12: Do you agree with the proposed approach to transitional arrangements?

Yes.

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

Suggested response:

Suggested response:

Yes. We agree that evidence justifying discounts of 40% or 50% should be via the local plan, and that any such increased discounts should not be offset by fewer First Homes.

### 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?

Suggested response:

Yes, but 'small proportion' must be defined to provide certainty. We suggest setting a maximum percentage of total dwellings.

We believe that a range of percentages will be necessary to take account of variations in land values and build costs

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

Suggested response:

No. We have concerns that a site size based only on being proportionate in size to the existing settlement cannot be applied reasonably to a village with 100 dwellings and a large market town with 10,000 dwellings. In particular, we have concerns that a 'proportionate' site adjacent to a large market town could generate large developments on unallocated sites without generating CIL to deliver the necessary infrastructure. Consequently, we wish the current maximum site area of one hectare to be retained.

The current definition (... or exceed 5% of the size of the existing settlement) is unclear, and it is therefore inadequate. The criterion by which 'proportionate in size to the existing settlement' is to be assessed must be unambiguous and quantified. We suggest using the number of dwellings as the criterion.

The current arrangement of proportionality linked to a 1 ha. cap has the potential to work well:

- In smaller settlements, the 5% proportion provides a reasonable limit so that the settlement is not overwhelmed by a single, disproportionate development.
- For larger settlements, a 1 ha. limit prevents substantial developments which would not contribute the necessary infrastructure provision.

Therefore, we wish the 1 ha. cap to be retained.

We have concerns that First Homes exception sites could lead to an over-supply of the tenure. The knock-on effect could be to slow the development of allocated sites which are relying on cash-flow from First Homes. Therefore, we urge MHCLG to consider limiting exception sites in locations which already have a good supply of planning permissions for First Homes.

If this is pursued, then 'proportionate' would need to be defined.

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

Suggested response:

Yes, we accept that the proposal is a viable way forward. Designated rural areas were not created for planning purposes and provide a somewhat crude and inconsistent basis for planning policy. Ideally, there would be a comprehensive review of 'rural' designations, but we accept that such an exercise is not possible in time to affect current proposals.

### 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)

Suggested response:

No. It is our experience that small sites deliver a significant number of new affordable homes and at present there is no significant evidence to demonstrate that the overall delivery of small sites has slowed as a result of Covid 19. Raising the threshold will potentially cause confusion, slow delivery as developers re-apply for permission under the temporary arrangements and benefit the landowner rather than the SME/developer. It will also lead to a loss of new affordable housing. Therefore SMEs should be assisted in other ways rather than lifting the threshold.

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

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

Suggested response:

The existing threshold of 10 should be retained.

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

Suggested response:

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?

Suggested response:

See response to Q17

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

Suggested response:

Yes

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

Suggested response:

Yes

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

Suggested response:

Homes England should use SMEs as partners to assist delivery

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

Suggested response:

Yes

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.

Suggested response:

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?

Suggested response:

Yes

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

Suggested response:

Yes. Such a parameter will help control the impact of taller development proposals.

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.

Suggested response:

Local planning authorities should be subject to a general requirement to publicise the application but there should be no requirement to publish a notice in the local newspaper.

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

Suggested response:

Yes, but it shouldn't be less than the current outline fee.

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

Suggested response:

As referred to above it shouldn't be less than the current outline fee.

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.

Suggested response:

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.

Suggested response:

There is very little guidance on what, in decision-making terms, "location" is concerned with (the scope of permission in principle being limited to location, land use and amount).

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

Suggested response:

The text in the consultation document implies that the proposed measure will applicants to "establish upfront, and at minimal cost, whether sites are suitable for residential development." However, if a reliable and cost-effective pre-application service is provided by a local authority the same information should be available to prospective applicants.

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

#### Suggested response:

There has been limited uptake of the current PiP regime to date and therefore it remains unclear whether a significant number of landowners and developers will use the proposed measures.

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?

#### Suggested response:

The dominance of First Homes will lead to a reduction in the availability of other affordable home ownership tenures, especially shared ownership. This includes anyone who might achieve ownership through a tenure requiring less savings:

- People with physical disabilities, whose design requirements are likely to make a First Home too expensive.
- People with learning disabilities, whose incomes tend to be lower than suffices to buy a First Home.
- Older people, whose savings and pensions tend to be lower than suffices to buy a First Home.
- Young people, who have to wait until their income suffices to buy a First Home.