



Oliver's Battery Parish Council responses to the "Changes to the current planning system" consultation

The standard method for assessing housing numbers in strategic plans

Step 1

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

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

Response:

Disagree.

Factoring existing housing stock simply reinforces the existing pattern of development, which may bear no relation to housing need. Using existing housing stock to determine new housing numbers could undermine the principle of sustainable development.

Household projections that reflect emerging trends will be a more meaningful methodology to create a baseline of what is needed. Assessing housing numbers must be based on relevant, clear and transparent evidence of housing need (numbers, locations and affordability) and not simply modelled so as to achieve the Government's aspiration of delivering 300,000 homes annually.

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.

Response:

Disagree.

See response to Q1.



Step 2

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

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

Response:

Disagree.

Only one multiplier should be used for affordability.

Workplace-based earnings are based on where a job is registered, not where an employee lives. Residence-based earnings are more relevant to affordability than workplace-based earnings, especially with the shift to more flexible working patterns including working from home.

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.

Response:

Disagree.

Affordability should only be taken into account once, and the existing house price to earnings ratio is the most appropriate measure.

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

Response:

Disagree.

Affordability is given an excessive weighting.

The algorithm used to calculate the affordability factor creates a built-in incentive for housebuilders to continue to build more houses at a price above the median price because this would ensure that the planning authority is then required to allocate even more land for even more homes. The effect will be to make the average house even less affordable.



Affordability will not be positively addressed by simply approving more housing development. The Letwin Review confirmed what is already widely known that the number of homes developers build and sell is dictated by profit and not to satisfy housing need. There is no evidence to support the view that simply approving more development will result in accelerated delivery or a significant reduction in the cost of new housing.

There are one million homes that already have planning permission that have not been built. In order to meet the target that Government has set, Government should also take urgent effective action to ensure that these existing planning permissions are built out quickly. The low absorption rates identified in the Letwin report should not be tolerated.

Q6: 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 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?

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

Response:

Disagree.

The revised standard method figure will only be relevant for a short period until replaced by a new methodology (Planning for the Future White Paper).

Local planning authorities faced with a sudden jump in their housing requirement are likely to face speculative and inappropriate planning applications without any opportunity to plan proactively. This will lead to 'planning by appeal' and runs completely counter to the principle of a plan led system and local involvement.

Q7: 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 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?



Response:

Disagree.

See the response to Q6 above.

Delivering First Homes

Setting developer contributions for 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)

Response:

While First Homes is an important initiative, requiring a minimum of 25% of any affordable housing provision to be met through First Homes will have the impact of reducing the housing options for other households in need. The Local Council should be left to set out affordable housing tenure and mix that best meets needs informed by local evidence.

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 this First Homes requirement?

Response:

Disagree.

Although First Homes are intended to provide an affordable route to home ownership but given local house prices, First Homes, even with a discount of 30%, would still be out of the reach of many first-time buyers.



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

Response:

No.

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

Response:

Yes, sites which are developed for 100% affordable housing by the local authority should be exempt.

Local plans and transitional arrangements

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

Response:

Agree in principle to transitional arrangements but the proposals are vague in some respects.

Level of discount

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

Response:

Disagree.

Flexibility at a local level is the most important factor.

Exception sites and rural exception sites

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?

Response:

Disagree.



This should be made clear so that prices paid for land to be developed are appropriate to First Homes and not require any market housing to ensure site viability.

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

Response:

Disagree.

It is essential that thresholds for all exception sites are proportionate in size to the existing settlements.

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

Response:

Agree.

Supporting small and medium-sized developers

Extending the small sites policy

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

Q17: Do you agree with the proposed approach to raise the small sites threshold for a time-limited period?

Response:

Disagree.

SME builders have been declining and are now under further pressure due to Covid-19. However, will larger scale developers become more interested in smaller sites making the environment more challenging for SMEs?

The proposal is also contradictory to increasing the numbers of affordable housing.



Furthermore, the requirement for a proportion of affordable homes should be made clear so that prices paid for land to be developed are appropriate to ensure site viability without reduction or complete omission of affordable homes.

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

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

Response:

iii)

Retain existing threshold of 10 homes. Raising the threshold for the delivery of affordable housing would deprive those in housing need and seems contrary to the Government's emphasis on the need to address affordability. It is important to maximise the ability to meet the need for affordable housing.

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

Response:

Disagree.

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

Response:

Disagree.

See responses to Q17 and Q18 above.

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

Response:

Agree but this would not be necessary if the existing threshold for the delivery of affordable housing was not changed.



Affordable housing in rural areas

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

Response:

Agree.

Supporting SMEs

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

Response:

Promoting adequate access to finance.

Government grants.

Extending Permission in Principle to cover major development

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

Response:

Disagree.

Larger sites generally have far greater complexity and are more likely to have impacts beyond the immediate locality of the site.

However, an increase to sites that support fewer than 40 dwellings for an initial 18-month period whilst the impact of the raised threshold is monitored should be a change that will particularly benefit SME developers.

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.

Response:

Yes, the amount and types of commercial development should be informed by local circumstances.



Process for making a Permission in Principle application for major development

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?

Response:

Disagree.

For larger sites, it will be difficult to make an assessment about amount of development proposed without supporting technical material.

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

Response:

Agree.

Height is often a key factor in the consideration of the principle of development.

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.

Response:

Agree.

Option ii) is preferred. Good public engagement happens when a variety of methods are used, including site notices and notification of local residents. However, given the short timescale for determining a PiP the developer should be required to clearly demonstrate a predetermined level of public engagement has happened prior to the submission of a PiP.



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

Response:

Agree in principle.

However, although the flat fee should be set at a level to be challenging, it must allow most if not all authorities to cover the cost of assessing a wide range of applications, so an effective service provision does not require funding support from other sources.

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

Response:

Fees need to be set at a level that allows a good chance of cost recovery for the majority of authorities.

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.

Response:

Agree.

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.

Response:

A national list of requirements in order to ensure consistency. Templates comprising examples of PiP submissions for a wide range of likely scenarios, including complicated sites.



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

Response:

PiP could become a little quicker and cheaper than outline permission but may not offer any significant advantages overall. However, there are major challenges in terms of the timescales less opportunities for effective public engagement.

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

Response:

No comment.

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?

Response:

Given the emphasis on electronic solutions, smaller organisations and public generally may have difficulty or be effectively excluded from participating. Also, compliance with the Accessibility Regulations.