



Response to Changes to the current planning system – August 2020

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?

No: This is totally inadequate method of calculating a Standard Method. It is likely to produce dangerous, and perverse results.

The whole premise of the Standard Method is flawed as it is simplistically based on historic trends rather than forecasting where housing should be placed in the country to support community and economic development.

The formula as it stands, greatly overstates the effect of changes in affordability: as many have shown the formula can lead to a doubling of the housing target set in Local Plans. This is not realistic and would create enormous environmental stresses. It would be totally counter to the promises in Planning for the Future to respond to local concerns.

The formula takes is overly simplistic taking no account of wider drivers on demand e.g. Regional Economic Policy, Rebalancing of Growth from South to North, impact on commuter demand as cities build more housing etc. There are also limits on how demand can be fulfilled that need to be considered e.g. areas do have limits due to AONB's National Parks etc.

As various independent bodies have now estimated Housing Requirement using the revised Standard Method which have been provided often alarming or inconsistent views on what housing is required; MHCLG should provide publicly for each Local Government Planning Area the expected housing number and the assumptions used to drive the algorithm for each area.

This would allow the Standard Method to be rigorously refined BEFORE use. .

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.

No – Recommend Existing Stock is used as assuming growth is not always appropriate.

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

Yes

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.

In part but there are often local factors that impact on local housing costs e.g. contributions to Sangs.

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

Planning for the Future proposes 300,000 new homes are required but doesn't state how this number has been derived. On the assumption this is from a Standard Method Calculation it would be useful to see how this total is calculated using the existing and proposed standard method. Assuming we have circa 2.5million dwellings the 0.5% growth indicates 127,500 dwelling are required.

A concern is that the affordability adjustment is a factor with greater significance than the growth component this indicates maybe a overweighting in the formula. As mentioned in the answer in Q1 there does need to be proper sense testing of the algorithm.

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?

Yes

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?

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)

Should comply with the Local Plan Policy

Note:

Although outside the immediate scope of this consultation; although the principle of assisting young people to buy their first home does make sense. It must be questioned why this has always focused on new homes rather than existing homes. Surely a financial subsidy can be focused on young people buying a second-hand home as easily as a new home. The benefits to many young people are significant because this allows greater choice of type of property and location but also the opportunity to buy and improve a property increasing its value.

One can argue that it is misguided to promote new homes to first-time buyers. They tend to be overpriced and relatively illiquid particularly on large estates with long lived construction phases.

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

Yes; but not at the expense of addressing the critical shortage is of housing at rents which are genuinely affordable. Impacting the provision of this already underprovided category is therefore unwise.

Q10: Are any existing exemptions not required? If not, please set out which exemptions and why.
No
Q11: Are any other exemptions needed? If so, please provide reasons and /or evidence for your views.
Yes – anything that can be done to address the shortage of housing at rents which are genuinely affordable. Reducing this already underprovided category is therefore unwise.
Q12: Do you agree with the proposed approach to transitional arrangements set out above?
Yes
Q13: Do you agree with the proposed approach to different levels of discount? Community Infrastructure Levy
Yes
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?
In principle Yes but what is meant by small proportion.
Q15: Do you agree with the removal of the site size threshold set out in the National Planning Policy Framework?
This is a backdoor to cramming sites – the small size threshold must remain.
Q16: Do you agree that the First Homes exception sites policy should not apply in designated rural areas?
Yes
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)
We are supportive of supporting SME builders who often produce innovative and interesting local developments. We don't support the temporary approach of raising the small site threshold. Planning decisions have a life and should not be unduly influenced by short term economic issues. We believe there must be more appropriate ways to support the SME builders e.g. as discussed, the principle of removing things like Section 106 contributions from small sites does make sense. Worked examples would help understand this issue more fully.
Q18: What is the appropriate level of small sites threshold? i) Up to 40 homes ii) Up to 50 homes iii) Other (please specify)
We believe the current Threshold is correct.
Q19: Do you agree with the proposed approach to the site size threshold?
No – See answer to Q15
Q20: Do you agree with linking the time-limited period to economic recovery and raising the threshold for an initial period of 18 months?
No – See answer to Q15
Q21: Do you agree with the proposed approach to minimising threshold effects?
No – See answer to Q15
Q22: Do you agree with the Government's proposed approach to setting thresholds in rural areas?
Yes

Q23: Are there any other ways in which the Government can support SME builders to deliver new homes during the economic recovery period?
Yes by ensuring construction skills are available.
Q24: Do you agree that the new Permission in Principle should remove the restriction on major development?
No – Removing this at this stage is dangerous particularly as the Planning for the Future White Paper proposes a more sophisticated process which properly categorises land with supporting development management policies notably design codes. This is totally unnecessary provision for the short time involved.
There is a concern that as proposed this would let developers short circuit the planning process and not have to provide detailed proposals for local democratic scrutiny. We support the idea of a less costly first planning stage (Outline Planning originally served this purpose) but think this needs sufficient detail, especially for major developments, to be accurately assessed. The time periods for public response, if applied to major developments, could be incredibly challenging.
Q25: Should the new Permission in Principle for major development set any limit on the amount of commercial development (providing housing still occupies the majority of the floorspace of the overall scheme)? Please provide any comments in support of your views.
No comment see answer to Q24
Q26: Do you agree with our proposal that information requirements for Permission in Principle by application for major development should broadly remain unchanged? If you disagree, what changes would you suggest and why?
No comment see answer to Q24
Q27: Should there be an additional height parameter for Permission in Principle? Please provide comments in support of your views.
If Permission in Principle was implemented there MUST be additional protection for height.
Q29: Do you agree with our proposal for a banded fee structure based on a flat fee per hectare, with a maximum fee cap?
No comment see answer to Q24
Q30: What level of flat fee do you consider appropriate, and why? Brownfield Land Registers and Permission in Principle
No comment see answer to Q24
Q32: What guidance would help support applicants and local planning authorities to make decisions about Permission in Principle? Where possible, please set out any areas of guidance you consider are currently lacking and would assist stakeholders.
No comment see answer to Q24
Q33: What costs and benefits do you envisage the proposed scheme would cause?
No comment see answer to Q24
Q34: To what extent do you consider landowners and developers are likely to use the proposed measure? Please provide evidence where possible. Where you have identified drawbacks, how might these be overcome?
No comment see answer to Q24