

SPECIAL LICENSING AND PLANNING POLICY COMMITTEE

Tuesday 19 January 2016 at 7.30 pm

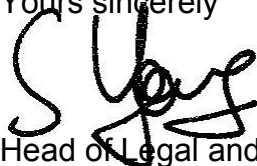
Council Chamber - Epsom Town Hall

The members listed below are summoned to attend the Licensing and Planning Policy Committee meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Councillor Graham Dudley (Chairman)
Councillor David Wood (Vice-Chairman)
Councillor Michael Arthur
Councillor Tony Axelrod
Councillor Rob Geleit

Councillor Tina Mountain
Councillor Martin Olney
Councillor David Reeve
Councillor Humphrey Reynolds
Councillor Clive Smitheram

Yours sincerely



Head of Legal and Democratic Services

For further information, please contact Sandra Dessent, 01372 732121 or sdessent@epsom-ewell.gov.uk

AGENDA

1. DECLARATIONS OF INTEREST

Members are asked to declare the existence and nature of any Disclosable Pecuniary Interests in respect of any item of business to be considered at the meeting.

2. GOVERNMENT CONSULTATION ON PROPOSED CHANGES TO NATIONAL PLANNING POLICY - THE COUNCIL'S RESPONSE (Pages 3 - 46)

The government has published a consultation seeking views on proposed changes to national planning policy. The Committee are requested to consider the draft response to the government's proposed changes to national planning policy and subject to any changes, constitute the Council's formal response to the proposals.

GOVERNMENT CONSULTATION ON PROPOSED CHANGES TO NATIONAL PLANNING POLICY - THE COUNCIL'S RESPONSE

<u>Report of the:</u>	Head of Place Development
<u>Contact:</u>	Karol Jakubczyk
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
<u>Annexes/Appendices (attached):</u>	Annexe 1: Draft Response to proposed changes to national planning policy Annexe 2: Department for Communities and Local Government Consultation on proposed changes to national planning policy
<u>Other available papers (not attached):</u>	None

REPORT SUMMARY

The government has published a consultation seeking views on proposed changes to national planning policy. It covers the following areas:

1. Broadening the definition of affordable housing, to expand the range of low cost housing opportunities;
2. Increasing the density of development around commuter hubs, to make more efficient use of land in suitable locations;
3. Supporting sustainable new settlements, development on brownfield land and small sites, and delivery of housing agreed in Local Plans;
4. Supporting delivery of starter homes; and
5. Transitional arrangements.

There are a number of areas of concern; specifically that the proposals will diminish our ability to meet local affordable housing need and that higher density development will have a harmful impact upon the Borough's visual character and appearance.

The report includes draft comments, which could form the basis of the Council's response to the consultation.

RECOMMENDATION (S)

That the Committee considers the draft response to the government's proposed changes to national planning policy and that this, subject to any changes, constitutes the Council's formal response to the proposals.

Notes

1 Implications for the Council's Key Priorities, Service Plans and Community Strategy

- 1.1 The wide ranging proposals contained within the consultation document could have significant implications for the Council's key priorities, particularly in terms of meeting local affordable housing need, providing essential community infrastructure to support growth, and the impact of higher density development upon the Borough's visual character and appearance. The proposed changes will have an impact on many of the Council's key priorities including economic vitality, quality of life, visual appearance and sustainability.
- 1.2 The Epsom & Ewell Borough Local Plan assists in the spatial delivery of the objectives of the Sustainable Community Strategy and the Council's Key Priorities. The effectiveness of these policies, and by extension the effective delivery of the Local Plan, will be compromised by the proposed changes to national planning policy.

2 Background

- 2.1 In their introduction to the current consultation exercise, the government state that the purpose of planning is to help achieve sustainable development. They state that the role of the National Planning Policy Framework (NPPF) is to reinforce the central role of local plans in the planning system. They reiterate that national planning policy does not change the statutory status of the development plan as the starting point for decision making. This is a positive statement as it reaffirms the importance of the Local Planning Authority as a plan-making and decision-taking body within the planning process.
- 2.2 The government states that it is seeking to introduce these changes in order to support the delivery of high quality new homes that it believes the country needs. The proposals firmly place the emphasis upon local planning authorities rising to meet that objective. If implemented, the proposals will make it easier for developers to deliver news homes on sites of their preference.
- 2.3 The government state that they are keen to hear views on their proposals from all interested parties. They state that this will enable them to take account of all relevant evidence when considering whether to implement the proposals. The consultation lasts for 11 weeks, having commenced on 7 December 2015 concluding on 22 February 2016. A copy of the Consultation Paper is included under Annexe 2.

3 Commentary

3.1 The consultation paper sets out a series of proposals under the following subject headings:

- Affordable Housing
- Increasing Residential Density around Commuter Hubs
- Supporting new settlements, development on brownfield and small sites, and delivery of housing agreed in Local Plans
- Supporting delivery of starter homes – with further subheadings relating to the redevelopment of commercial sites; starter homes within mixed use developments; starter homes within rural areas; and enabling communities to identify opportunities for starter homes
- Brownfield land in the Green Belt
- Transitional arrangements; and
- General questions – primarily about the evidence used in support of the proposals

A draft response has been prepared and is included under Annexe 1. This sets out our answers to the twenty questions that are considered relevant to Epsom & Ewell.

3.2 Some of the proposals merit further examination. A key area of concern is the proposals that facilitate the increased delivery of new 'starter homes'. On the face of it this would appear to be a positive proposal – as the changes seek to increase the delivery of lower cost housing; thereby providing more people with an opportunity to climb on-board the home-ownership ladder. However, this will be achieved at the expense of genuine affordable housing – namely, those forms of housing that are retained in perpetuity to meet the needs of individuals and families with an acute housing need. In contrast, new starter homes will only be available to people under the age of 40, who are able to secure finance. This will effectively exclude the majority of applicants on our Housing Needs Register – who are unable to secure finance to buy market housing in the Borough. It is also worth noting that their status as starter homes (with a fixed resale value) will only be retained for five years, after which they will effectively cease to be starter homes. We anticipate that this could have a significant impact on our ability to house people in the future.

- 3.3 The proposals for new starter homes also seek to introduce exemptions that could have adverse impacts for the Borough. Notably, it is proposed that new starter homes will not be liable for the Community Infrastructure Levy, which will make it difficult for the Borough Council and its partners to fund the infrastructure needed to support these homes. The proposals also seeks to introduce an exemption that would make it easier to build starter homes on previously developed sites – both within the existing urban area and upon such sites located in the Green Belt. This would remove the Borough Council’s ability to manage delivery on such sites and could have a harmful impact on the visual character and appearance of the Borough.
- 3.4 The proposed approach to increased housing densities around ‘commuter hubs’ is broadly welcomed on the basis that this could help secure sustainable patterns of development. However, our draft response suggests that this proposal is unnecessary as the sequential approach to development has long been imbedded within planning policy and is already a key feature of the Borough Council’s strategy towards growth.
- 3.5 Finally, the consultation also includes proposals to introduce sanctions upon those local planning authorities that fail to demonstrate a five year housing land supply. Again these proposals are intended to enhance the delivery of new housing. However, the merit of this proposal is questionable given that housing land supply and delivery is subject to many external factors that are beyond local planning authority control.

4 Financial and Manpower Implications

- 4.1 The resourcing of the current Local Plan work programme was approved by the Strategy & Resources Committee during the final quarter of 2012. That work programme did not factor in any additional work that may be required following the implementation of the proposed changes to national planning policy. Consequently, some adjustment in our priorities is likely.
- 4.2 Should the concerns set out above be borne out we may find ourselves in a situation where our increasing population is not matched by affordable housing delivery or Community Infrastructure Levy contributions. This situation may be partially tempered through increases in revenue from Council Tax and New Homes Bonus.

5 Equalities and Other Legal Implications

- 5.1 The proposals raise a number concerns in relation to the Equalities Act 2010. Most notably, the proposed age threshold of 40 years of age for accessing new starter homes appears arbitrary. Our draft response to the consultation suggests that this age threshold be removed and the ability to secure finance becomes the primary test for qualifying for this benefit.

- 5.2 The expansion of the national affordable housing definition to include starter homes raises considerable concerns about how the Borough Council will meet acute housing need in the future. An extreme outcome would be the displacement of local residents who can no longer afford to live in the Borough. Given the lack of evidence produced in support of the proposals the scale of impact is currently unknown.

6 Sustainability Policy and Community Safety Implications

- 6.1 The proposals to increase the delivery of new starter homes, as a form of 'affordable housing' would not constitute sustainable development. There are risks that such proposals will result in unbalanced communities and homogenised development patterns; solely comprised of residential uses. Some of the proposals may put our highly valued employment and retail sites at risk and reduce our ability to intervene in the development process.
- 6.2 In contrast our existing Local Plan approach to delivering residential and commercial growth has been largely successful in securing sustainable development patterns. Both the Core Strategy's and Plan E's policies have been subject to sustainability appraisal as an integral part of the Local Plan process. These sustainability appraisals have been subject to public consultation.
- 6.3 There are no significant Community Safety considerations.

7 Partnerships

- 7.1 No specific considerations.

8 Risk Assessment

- 8.1 The proposed changes to national planning policy on new starter homes place a significant risk on our ability to deliver our affordable housing strategy, which is predicated on securing new affordable housing through the development process. This will serve to undermine our adopted and emerging Local Plan policies. If these changes are implemented we could witness a significant reduction in new affordable housing coming forward. This will impact our performance against our Local Plan target (Core Strategy Policy CS9) and may result in an increase in the number of people on our Housing Needs Register. It is recommended that the progress of this proposal be carefully monitored and further consideration given to necessary mitigation measures should it be implemented.
- 8.2 The proposed changes seeking to increase development density will also need to be carefully monitored. Unmanaged intensification of growth could have an adverse impact on the Borough's special visual character and appearance and would also constitute unsustainable development. Appropriate mitigation measures may need to be considered where practical.

- 8.3 The Borough Council has successfully maintained a five year housing land supply throughout the current local plan period. We will need to ensure that we maintain sufficient supply of deliverable and developable housing sites in order to continue to accord with national planning policy. The nature of the proposals suggests that should we fail to maintain a sufficient supply of housing land then we may become subject to sanctions – in addition to development taking place in inappropriate locations.

9 Conclusion and Recommendations

- 9.1 There are potential adverse impacts arising from the proposed changes to national planning policy. The Committee are asked to consider the draft response to the government's proposed changes, and that subject to any changes it forms the Council's formal response to the proposals.

WARD(S) AFFECTED: All

Affordable Housing

Q1. Do you have any comments or suggestions about the proposal to amend the definition of affordable housing in national planning policy to include a wider range of low cost home ownership options?

Yes. The Borough Council does not support the proposal to extend the definition of affordable housing to include “starter homes”, on the basis that this form of housing will not meet the need for genuinely affordable homes.

For the purposes of clarity the Borough Council would like to state that it does not believe that “starter homes” constitute a form of affordable housing. The increased provision of starter homes will not help to meet affordable housing need. The Borough Council considers starter homes to be a “discounted open market sale” product. National planning policy has justifiably and consistently not included this type of product as a form of affordable housing. The government has not presented any evidence to demonstrate that this position has changed. Consequently, it would be unsound to expand the definition of affordable housing to include a product that does not meet affordable need.

The Borough Council also highlights that this form of housing will not remain as affordable housing in perpetuity and will only be available to those able to secure finance. Critically for the Borough Council this is not housing that will be available to families on our housing register. Consequently, it will not help reduce our clearly identified need.

The majority of applicants to the Borough Council’s Housing Needs Register need, and can only afford, rented accommodation. Evidence contained within our emerging Strategic Housing Market Assessment (SHMA) demonstrates an overwhelming need for social rented accommodation. Our SHMA clearly shows that there is limited latent demand for additional low cost home ownership housing options within our housing market area. Starter Homes will be suitable only for those able to secure mortgage finance. For the majority of applicants to our Housing Needs Register, who are, or who have a recent history of homelessness; accessing home ownership is beyond their reach.

The inclusion of starter homes within the definition of affordable housing could reduce the amount of genuinely affordable units being built in the Borough. Starter homes are likely to be a more attractive option for a developer to include in their scheme over social rented units on the basis that they will neither attract a developer contribution towards (genuine) affordable housing nor be liable for the Community Infrastructure Levy (CIL). In terms of the latter issue, the exemption of starter homes from CIL will make it very difficult for local planning authorities and their partners to deliver necessary community infrastructure – as the funding gap widens. This could have a perverse impact on development viability, as charging authorities seek to narrow the funding gap on liable developments. The government has not

presented any evidence to demonstrate that these factors have been fully considered.

Due to the overall property value limit, and the high cost of properties locally, we believe that Starter Homes will only deliver small flats. This will be at the expense of affordable family sized accommodation, which is where our local need is most acute.

The Borough Council believes that nationally there is a role for cheaper market housing but that this should not be at the expense of genuine affordable housing. The emphasis must be upon the market delivering cheaper housing. This could be achieved by negotiating realistic purchase prices for development land with landowners. The industry could also reduce development costs by opening the gates on delivery (IE not land-banking sites).

Q2. Do you have any views on the implications of the proposed change to the definition of affordable housing on people with protected characteristics as defined in the Equalities Act 2010? What evidence do you have on this matter?

In terms of equality impacts, the Borough Council has significant concerns in relation to the proposed age limit of 40 years. The government has not presented any evidence to demonstrate why this arbitrary age limit has been introduced. The Borough Council suggests that starter homes should be available to all ages, subject to the party's ability to secure financing. We would highlight that there is plenty of up-to-date evidence of people seeking to enter the housing market during their mid to late 30's and beyond. We believe that it is about a person's journey up the housing ladder. Consequently their age is irrelevant and we see no reason for restrictions.

As stated in our response to Q1, starter homes will not meet the housing needs of people on our housing register. Consequently, the proposal will not be available to a wide range of people with protected characteristics as defined in the Equalities Act 2010. As we have stated above, starter homes will undoubtedly meet a need for cheaper housing. However, that need could be delivered by the developer – by acting more competitively and efficiently; as a free market economy requires.

Increasing Residential Density around Commuter Hubs

Q3. Do you agree with the Government's definition of commuter hub? If not, what changes do you consider are required?

Yes; broadly speaking the Borough Council agrees with the proposed definition. However, we do question the need for a national definition as we are already meeting this objective through our existing policy/ strategy. We would like to highlight the policies contained within our Core Strategy (May

2007); Plan E Epsom Town Centre Area Action Plan (April 2011); and the Development Management Policies Document (September 2015). The policies contained within these documents already seek to meet this objective. On that basis a national policy on commuter hubs may serve as unnecessary duplication. The sequential approach to development is a key part of national planning policy and has been for nearly twenty years.

On that basis we suggest that it may be better to allow Local Planning Authorities to consider this for themselves – and therefore allow the approach to be tested for soundness through the plan-making process. Commuter hubs do not have infinite capacity for growth. Consequently, unmanaged growth permitted through a blanket national policy could ultimately deliver unsustainable growth patterns that may not be supported by the infrastructure that is intended to serve them.

Q4. Do you have any further suggestions for proposals to support higher density development around commuter hubs through the planning system?

Yes – see above comments. We believe that this proposal would be more effectively delivered through the local plan process, where sequentially appropriate locations can be identified and supported through evidence.

Q5. Do you agree that the Government should not introduce a minimum level of residential densities in national policy for areas around commuter hubs? If not, why not?

Yes – see above comments. We believe that this proposal would be more effectively delivered through the local plan process.

Supporting new settlements, development on brownfield land and small sites, and delivery of housing agreed in Local Plans

Q6. Do you consider that national planning policy should provide greater policy support for new settlements in meeting development needs? If not, why not?

Yes – there is an urgent requirement for a national strategy that identifies new settlements and the associated strategic infrastructure necessary to support their delivery and function.

The Duty to Co-operate process has failed to advance new settlements and this whole area of the strategic planning process needs urgent revision. National government, working closely with local planning authorities and Local Enterprise Partnerships provides the best mechanism for the identification and delivery of new settlements in appropriate and sustainable locations.

Such an approach would provide far greater certainty than that currently available to local planning authorities and the development industry.

Q7. Do you consider that it would be beneficial to strengthen policy on development of brownfield land for housing? If not, why not and are there any unintended impacts that we should take into account?

No this proposal is unnecessary. There is already a presumption in favour of sustainable development built into national planning policy. The redevelopment of previously developed urban land will in most cases constitute sustainable development.

Equally, national planning policy already provides sufficient and clear guidance on the redevelopment of previously developed land located in the Green Belt. The Borough Council strongly believe that previously developed land located in the Green Belt should not be considered in the same way as that located within existing urban areas. Intensification of development on previously development land located in the Green Belt will have a harmful impact on openness of the surrounding Green Belt. If such previously developed sites are a genuinely sustainable location for future growth then it is better that they come forward through the local plan process. This will allow such sites to be fully assessed within the wider context of a strategic Green Belt review.

Q8. Do you consider that it would be beneficial to strengthen policy on development of small sites for housing? If not, why not? How could the change impact on the calculation of the local planning authorities' five-year land supply?

No this proposal would amount to unnecessary duplication. Existing national planning policy provides sufficient guidance on this matter. There is already a presumption in favour of development that would allow small sites for housing to be considered through the planning process, whether local policies specifically address this matter or not.

There is a fundamental problem with the above approach. Namely, that it is impossible to determine when small and windfall sites will come forward for development. Our own experiences in Strategic Housing Land Availability Assessment (SHLAA) preparation illustrate that it is very difficult to demonstrate the availability and deliverability of such sites. Consequently attempting to calculate their impact on five-year supply is impossible.

If the government proceeds with this proposal then it must ensure that the guidance on housing land supply monitoring process is clear (unambiguous), reasonable and smart in terms of outputs. Those local planning authorities that meet the requirements of this process should be financially rewarded – in the same way that the production of SHLAAs was rewarded through the Housing & Planning Delivery Grant.

Q9. Do you agree with the Government proposal to define a small site as a site of less than 10 units? If not, what other definition do you consider is appropriate, and why?

Yes, it would be useful to formalise the definition of small sites and major sites. The Borough Council and indeed most local planning authorities already use this definition for monitoring purposes. We strongly recommend that the boundary between Major and Minor sites should be consistent with the PS1/ PS2 performance measure definition.

Q10. Do you consider that national planning policy should set out that local planning authorities should put in place a specific positive local policy for assessing applications for development on small sites not allocated in the Local Plan?

No – this would not be necessary in Epsom & Ewell’s case. Our existing Core Strategy Policy CS8 supports the principal of residential development within the existing urban area (the remainder of the Borough is Green Belt). This approach has been successful – as demonstrated by our Annual Monitoring Report data on windfall sites coming forward.

We have Development Management Policies that address unallocated sites (and how their development potential should be assessed – for example in terms of design, density and infrastructure). These policies are appropriate for Epsom & Ewell but may not be appropriate or necessary in other locations. It should be for Local Planning Authorities to take this approach where it is merited.

There is also an argument that existing national policy already guides local planning authorities down this path. In that respect the proposal would amount to duplication, which national planning policy advises against.

Q11. We would welcome your views on how best to implement the housing delivery test, and in particular:

• What do you consider should be the baseline against which to monitor delivery of new housing?

The Borough Council believes that the Local Plan Annual Monitoring Report process remains the best tool in assessing the performance of housing delivery across the local plan period.

We believe that expressing significant under delivery as a percentage below expected delivery is a crude method as there are many other external factors that influence delivery that are completely out of a local planning authority’s control.

We also believe that focussing upon a 2 year period is a too narrow time frame. An example of this is where a large site (IE an urban extension) has frontloaded delivery early in the plan period. Under those circumstances housing delivery will appear skewed over the proposed two year period. A longer monitoring period, say over five years would provide an opportunity for delivery statistics to equalise and take account of some of the external factors effecting delivery (IE the fluctuation of the wider economic climate).

• *What should constitute significant under-delivery, and over what time period?*

The Borough Council suggests that 30% under-provision could be used as an indicator of 'significant under-delivery'. However, we would urge caution in applying this indicator where there was demonstrable evidence of external mitigating factors; for example, during those periods when the prevailing financial climate has an adverse impact upon the house-building industry's ability to deliver new housing.

The Borough Council considers that the time period for assessing under-delivery needs to be significantly longer than two years.

• *What steps do you think should be taken in response to significant under-delivery?*

It depends upon what the root causes of under-delivery are. There could be numerous reasons why local planning authorities' under-deliver, for example:

- Miscalculating development viability and the economic cycles. Currently, national planning policy provides no advice on the impact of economic cycles upon housing delivery – yet it is very clear that recent recessions have had (and are continuing to have) a profound impact upon housing delivery. On that basis it appears prudent for Local Plan housing targets to take some account of fluctuating national/ global economic conditions. To not do so, and to penalise under-delivery (on such grounds) would appear perverse and unreasonable.
- The ability of the development industry to physically meet local targets.

As stated above, it would be unreasonable to take sanctions against local planning authorities where under-delivery is demonstrably due to factors outside of their control. We believe that the focus should be placed upon those local planning authorities that have consistently failed to produce an up-to-date local plan. We strongly believe that the government should work supportively with local planning authorities, rather than apply crude sanctions in all cases.

A more productive solution is to provide local planning authorities with the necessary tools to incentivise growth on allocated sites and at appropriate sustainable locations. These could include low cost/ low risk compulsory

purchase powers and low-cost finance that would enable the local planning authority to intervene in the physical development process.

• How do you see this approach working when the housing policies in the Local Plan are not up-to-date?

This is a difficult question for us to respond to as we don't have any recent experience of out-of-date local plan policies. The Borough Council has invested in maintaining an up-to-date and sound Local Plan, associated evidence base and Infrastructure Delivery Plan. We believe that these are essential in securing sustainable development across Epsom & Ewell. We believe that national planning policy by itself cannot guarantee the delivery of genuinely sustainable development.

Q12. What would be the impact of a housing delivery test on development activity?

The Borough Council considers that the impact of a new housing delivery test could be variable depending on the reasons for the delay in delivery. In circumstances where a local planning authority has failed to identify a housing target or sufficient supply of land, then it would be reasonable for them to be held accountable. As stated above, it would be unreasonable to take sanctions against local planning authorities where under-delivery is demonstrably due to factors outside of their control.

Supporting delivery of starter homes

Unviable and underused commercial and employment land

Q13. What evidence would you suggest could be used to justify retention of land for commercial or similar use? Should there be a fixed time limit on land retention for commercial use?

A key tenant of national planning policy is securing sustainable development patterns. We believe that this requires a balanced mixture of residential and commercial land uses. Our Local Plan already seeks to meet this objective. A key component of this approach is ensuring that development takes place in the right location. We believe that the continued application of the sequential approach will help to achieve this objective. In that respect, the sequential approach provides a good starting position of any assessment of employment land and sites.

The Borough Council has considerable experience in collating and monitoring data relating to the continued suitability and viability of employment land. This evidence has been used to inform the preparation and production of our Local Plan; the determination of planning applications; and the introduction of other measures, including the serving of Article 4 Directions. This evidence can be

found on the Borough Council's website at [the following link](#)¹. It includes up-to-date assessments of retail and employment land, viability testing and monitoring of occupancy and vacancy rates. Our evidence includes inputs from commercial land agents, independent property experts and the business community.

In those circumstances where commercial property has been shown to be genuinely surplus to requirements, or no longer fit for purpose we have taken a flexible approach to its redevelopment. Where appropriate we have sought to redevelop such sites for a mix of commercial and residential uses.

We believe that an arbitrary fixed time limit for retention would be inappropriate, as such an approach would not be able to reflect changes in the economic climate, or sectoral shift (IE from manufacturing based economies to service sector based activity). A sound approach would be to ensure local plans and their supporting evidence remains up-to-date and takes full account of medium-term market signals.

Q14. Do you consider that the starter homes exception site policy should be extended to unviable or underused retail, leisure and non-residential institutional brownfield land?

Yes, the Borough Council supports this approach in principle. However, proposals for starter homes on such sites must be determined on their individual merits. Specifically, such proposals must robustly demonstrate that the site is genuinely surplus to the market (in the medium-term) and no longer fit-for-purpose. Such an assessment should also incorporate the sequential approach and provide an overview of alternative sources of deliverable and developable commercial/ leisure land supply.

Q15. Do you support the proposal to strengthen the starter homes exception site policy? If not, why not?

No we do not support this proposal on the basis of our response to Q14. The proposal would degrade the local planning authorities' ability to secure balanced sustainable growth. We believe that in its current form the proposal has the potential to lead to highly unsustainable homogenised patterns of growth. As with other proposals, we suggest that the application of an exception site policy should be left to the local plan process rather than introduced unilaterally through national planning policy.

Encouraging starter homes within mixed use commercial developments

¹ <http://www.epsom-ewell.gov.uk/NR/exeres/D09D197C-1654-460C-BA87-98D2079AADD4.frameless.htm?NRMODE=Published>

Q16: Should starter homes form a significant element of any housing component within mixed use developments and converted unlet commercial units?

No we do not believe that starter homes should form a significant element of any housing component within mixed-use and commercial conversion developments. Please refer to our response to Q1 for the reasons why this proposal is inappropriate and unsustainable.

Encouraging starter homes in rural areas

Q17. Should rural exception sites be used to deliver starter homes in rural areas? If so, should local planning authorities have the flexibility to require local connection tests?

We have no comments on this question.

Q18. Are there any other policy approaches to delivering starter homes in rural areas that you would support?

We have no comments on this question.

Enabling communities to identify opportunities for starter homes

Q19. Should local communities have the opportunity to allocate sites for small scale Starter Home developments in their Green Belt through neighbourhood plans?

No, we do not support this proposal. As with other proposals, we believe that this approach towards securing growth is best addressed through the Local Plan process as part of a strategic site allocations process. The processes involved in assessing and bringing forward deliverable and developable housing site allocations are challenging. We suggest that this is beyond the scope of a neighbourhood plan, which by its very nature is not strategic. The government has not presented any evidence to demonstrate that this proposed approach is deliverable.

Brownfield land in the Green Belt

Q20. Should planning policy be amended to allow redevelopment of brownfield sites for starter homes through a more flexible approach to assessing the impact on openness?

No, we do not support this proposal. Our detailed position is set out in our responses to Q1 and Q7 for the reasons why this proposal is inappropriate and unsustainable.

We believe that national planning policy already provides sufficient and clear guidance to allow the redevelopment of previously developed land located in the Green Belt where it demonstrably secures sustainable development. The Borough Council strongly believes that proposals for the redevelopment of such sites should be fully assessed and determined by the Local Planning Authority. Our own experiences, involving the comprehensive redevelopment of five significant former healthcare facilities, demonstrate that a more flexible approach at the national policy level is unnecessary.

Q21. We would welcome your views on our proposed transitional arrangements.

The proposed transitional arrangements would be onerous for Epsom & Ewell, given the very limited resources available to the Planning Policy Team.

Q22. What are your views on the assumptions and data sources set out in this document to estimate the impact of the proposed changes? Is there any other evidence which you think we need to consider?

The Borough Council considers this to be the most important question in the whole consultation exercise. This is because the evidence and data sources are critical in not only supporting and demonstrating the soundness of the government's proposals but also in illustrating how successful the proposals could be in achieving the stated objectives. In that respect the quality of the supporting data and assumptions is disappointing. We believe that it would have been reasonable for the proposals to be supported by the following data:

- The number of starter homes that could be delivered over the next fifteen – twenty years. A comprehensive projection could have broken this figure down further on the basis of delivery on previously developed land; conversions; and Green Belt Sites.
- The scale of reduction in people on local housing needs registers.
- The scale of reduction in people being housed in temporary accommodation. We suggest that this is an essential projection required to support these proposals.
- The impact of starter home delivery upon affordable housing delivery – namely, identification of the shortfall in new affordable housing delivery.
- The potential impact of starter home delivery upon infrastructure funding – namely, as assessment of the shortfall on CIL monies.
- The scale of previously developed land located in Green Belt that could come forward for redevelopment as starter homes.
- The scale of commercial floorspace likely to be lost to starter homes.
- The potential impact of the loss of viable and occupied commercial floorspace on the national economy. Specifically in respect of loss of job opportunities and displacement of employment to less sustainable locations.

- An estimation of the cost to local communities in preparing sound site allocations for new starter homes in the Green Belt. Inclusive of evidence base production, preparation of sustainability appraisal reports and examination.
- A robust assessment of the capacity within local planning authorities to absorb the additional work generated by the proposals – into the medium to long-term.

Q23. Have you any other views on the implications of our proposed changes to national planning policy on people with protected characteristics as defined in the Equalities Act 2010? What evidence do you have on this matter?

The Borough Council has no further comments on this issue – see responses to previous questions above.



Department for
Communities and
Local Government

Consultation on proposed changes to national planning policy



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Scope of the consultation

Topic of this consultation:	<p>This consultation seeks views on proposed changes to national planning policy. It covers the following areas:</p> <ol style="list-style-type: none"> 1. Broadening the definition of affordable housing, to expand the range of low cost housing opportunities (paragraphs 6-12); 2. Increasing the density of development around commuter hubs, to make more efficient use of land in suitable locations (paragraphs 13-18); 3. Supporting sustainable new settlements, development on brownfield land and small sites, and delivery of housing agreed in Local Plans (paragraphs 19-33); 4. Supporting delivery of starter homes (paragraphs 34-54); and 5. Transitional arrangements (paragraphs 55-58).
Scope of this consultation:	We are keen to hear the views of all parties with an interest in the proposed changes to national planning policy, so that relevant views and evidence can be taken into account in deciding the way forward.
Geographical scope:	These proposals relate to England only.
Impact Assessment:	A summary of evidence to support the proposed changes is included in this consultation document, and we have also published an accompanying Equalities Statement. We are keen to receive feedback on the evidence in these documents, and to receive any other relevant evidence that should be considered.

Basic Information

To:	This is a public consultation about changes to planning policy in England and anyone with an interest in the proposals may respond.
Body/bodies responsible for the consultation:	This consultation is being run by the Planning Directorate in the Department for Communities and Local Government.
Duration:	This consultation will last for 11 weeks from Monday 7 December to Monday 22 February 2016.
Enquiries:	For any enquiries about the consultation please contact planningpolicyconsultation@communities.gsi.gov.uk or telephone 0303 444 1708
How to respond:	You may respond by completing an online survey at: https://www.surveymonkey.com/r/YZBLFJP

Alternatively you can email your response to the questions in this consultation to planningpolicyconsultation@communities.gsi.gov.uk.

If you are responding in writing, please make it clear which questions you are responding to.

Written responses should be sent to:

Planning Policy Consultation Team
Department for Communities and Local Government
3rd floor Fry Building
2 Marsham Street
London SW1P 4DF

When you reply it would be very useful if you confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name,
- your position (if applicable),
- the name of organisation (if applicable),
- an address (including post-code),
- an email address, and
- a contact telephone number

1. The purpose of planning is to help achieve sustainable development. The National Planning Policy Framework, published in March 2012, set out the Government's planning policies for England, and how they are to be applied. The Framework reinforces the central role of local and neighbourhood plans in the planning system. It promotes sustainable development, and the protection and enhancement of the natural and historic environment.
2. It is important that the planning system supports delivery of the high quality new homes that the country needs, including more larger homes appropriate for families. It is encouraging that community support for housebuilding has doubled in recent years, from 28 per cent in 2010 to 56 per cent in 2014, while opposition to local housebuilding has more than halved during the same period¹.
3. This consultation is seeking views on some specific changes to national planning policy, while maintaining the overall balance of policy which was carefully established following extensive consultation. We are proposing changes in the following areas:
 - Broadening the definition of affordable housing, to expand the range of low cost housing opportunities for those aspiring to own their new home;
 - Increasing the density of development around commuter hubs, to make more efficient use of land in suitable locations;
 - Supporting sustainable new settlements, development on brownfield land and small sites, and delivery of housing allocated in plans; and
 - Supporting delivery of starter homes.
4. Planning law requires that applications for planning permission must be determined in accordance with the development plan, unless material considerations indicate otherwise. National planning policy must be taken into account in the preparation of local and neighbourhood plans, and is a material consideration in planning decisions. National planning policy does not change the statutory status of the development plan as the starting point for decision making.
5. We are keen to hear views on our proposals from all interested parties so that we can consider these carefully in determining the way forward. We are also seeking views on the draft Equalities Statement for these proposals, which we are publishing alongside this consultation, and on the supporting evidence set out in this document. This will enable us to take account of all the relevant evidence in our consideration.

¹ DCLG, British Social Attitudes survey 2014: attitudes to new house building

Affordable housing

6. National planning policy requires local planning authorities to plan proactively to meet all housing needs in the area, including market and affordable housing. The current definition of affordable housing (set out in Annex 2 to the National Planning Policy Framework) includes social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market.
7. It is important that the definition of affordable housing for planning purposes supports present and future innovation by housing providers in meeting the needs of a wide range of households who are unable to access market housing. The provision of affordable housing is about supporting households to access home ownership, where that is their aspiration, as well as delivering homes for rent.
8. The current affordable housing definition includes some low cost home ownership models, such as shared ownership and shared equity, provided that they are subject to 'in perpetuity' restrictions or the subsidy is recycled for alternative affordable housing provision. This limits the current availability of home ownership options for households whose needs are not met by the market.
9. We propose to amend the national planning policy definition of affordable housing so that it encompasses a fuller range of products that can support people to access home ownership. We propose that the definition will continue to include a range of affordable products for rent and for ownership for households whose needs are not met by the market, but without being unnecessarily constrained by the parameters of products that have been used in the past which risk stifling innovation. This would include products that are analogous to low cost market housing or intermediate rent, such as discount market sales or innovative rent to buy housing. Some of these products may not be subject to 'in perpetuity' restrictions or have recycled subsidy. We also propose to make clearer in policy the requirement to plan for the housing needs of those who aspire to home ownership alongside those whose needs are best met through rented homes, subject as now to the overall viability of individual sites.
10. By adopting the approach proposed, we are broadening the range of housing types that are taken into account by local authorities in addressing local housing needs to increase affordable home ownership opportunities. This includes allowing local planning authorities to secure starter homes as part of their negotiations on sites.
11. In parallel, the Housing and Planning Bill is introducing a statutory duty on local authorities to promote the delivery of starter homes, and a requirement for a proportion of starter homes to be delivered on all suitable reasonably-sized housing developments. We will consult separately on the level at which this requirement should be set. The Bill defines starter homes as new dwellings for first time buyers under 40, sold at a discount of at least 20% of market value and

at less than the price cap of £250,000 (or £450,000 in London). Support is available through the Help to buy ISA to help purchasers save for a deposit.

12. We are carefully considering the equalities implications of these proposals and have published a draft Equalities Assessment alongside this consultation. We would welcome views on the draft assessment, and in particular any additional evidence that we should take into account in deciding the way forward.

Q1. Do you have any comments or suggestions about the proposal to amend the definition of affordable housing in national planning policy to include a wider range of low cost homes?

Q2. Do you have any views on the implications of the proposed change to the definition of affordable housing on people with protected characteristics as defined in the Equalities Act 2010? What evidence do you have on this matter?

Increasing residential density around commuter hubs

13. Paragraph 47 of the National Planning Policy Framework enables local planning authorities to set appropriate density levels for new housing development to reflect their local circumstances. Local planning authorities have a number of different approaches to setting policy on density. Some Local Plans continue to set overall density targets, other plans set out proposed density levels on specific sites, while some plans do not set any targets and determine density levels on a site-by-site basis to ensure that development is sensitive to the local context.
14. There are significant benefits to encouraging development around new and existing commuter hubs - reducing travel distances by private transport, making effective use of private and public sector land in sustainable locations, and helping to secure the wider regeneration and growth of the local area. In this context, we are keen to support higher density housing development around commuter hubs to help meet a range of housing needs including those of young first-time buyers. For example, there is an opportunity to use non-operational railway land near existing stations to help deliver more housing. Adopting the nationally described space standard², where viable, could be one way of helping ensure high density development is of a high quality.
15. We are proposing a change to national planning policy that would expect local planning authorities, in both plan-making and in taking planning decisions, to require higher density development around commuter hubs wherever feasible. We propose that a commuter hub is defined as:
- a) a public transport interchange (rail, tube or tram) where people can board or alight to continue their journey by other public transport (including buses), walking or cycling; and
 - b) a place that has, or could have in the future, a frequent service to that stop. We envisage defining a frequent service as running at least every 15 minutes during normal commuting hours.

Q3. Do you agree with the Government's definition of commuter hub? If not, what changes do you consider are required?

16. Given the potentially significant benefits, we are also interested in any further suggestions for proposals to support higher density development around commuter hubs through the planning system.

² <https://www.gov.uk/government/publications/technical-housing-standards-nationally-described-space-standard>

Q4. Do you have any further suggestions for proposals to support higher density development around commuter hubs through the planning system?

17. In proposing this policy change, we do not envisage introducing a minimum density requirement in national policy. We consider that it is important for density ranges to be decided locally to be aimed at local needs. Setting a minimum density would be unnecessarily prescriptive, and could fail to take account of local character and increase the risk of lower quality development.

Q5. Do you agree that the Government should not introduce a minimum level of residential densities in national policy for areas around commuter hubs? If not, why not?

18. The number of additional homes that can be delivered depends on both the density and the definition of commuter hubs. To provide an assessment of impact, we have considered all major train stations in built up areas with a population greater than 25,000. Where stations were within 0.5 miles of one another they were combined into a single transport hub. This gives around 680 potential transport hubs in England. We estimate that in 2013/14 34,000 homes were built within 0.5 miles of a transport hub at an average density of 34 dwellings per hectare³. If the average density at which these homes were built was increased to 40 dwellings per hectare, this could deliver an additional 6,000 homes within the same land area.

³ DCLG analysis using DCLG land use change statistics and DCLG housebuilding statistics

Supporting new settlements, development on brownfield land and small sites, and delivery of housing agreed in Local Plans

Supporting new settlements

19. Paragraph 52 of the National Planning Policy Framework recognises that local planning authorities may plan for the supply of new homes through larger scale developments such as new settlements or urban extensions. In doing so they should consider whether this is the best way of achieving sustainable development and consider, where appropriate, whether to establish Green Belt around or adjoining such settlements.

20. We propose to strengthen national planning policy to provide a more supportive approach for new settlements, within locally led plans. We consider that local planning authorities should take a proactive approach to planning for new settlements where they can meet the sustainable development objectives of national policy, including taking account of the need to provide an adequate supply of new homes. In doing so local planning authorities should work proactively with developers coming forward with proposals for new settlements in their area.

Q6. Do you consider that national planning policy should provide greater policy support for new settlements in meeting development needs? If not, why not?

Supporting housing development on brownfield land and small sites

21. We have already made clear our priority for ensuring as much use as possible of brownfield land in driving up housing supply. The National Planning Policy Framework states that planning should encourage the effective use of land by re-using brownfield sites provided they are not of high environmental value, and that local councils can set locally appropriate targets for using brownfield land. In the Housing and Planning Bill, we have set out our intention to require local planning authorities to publish and maintain up-to-date registers of brownfield sites suitable for housing. It is our intention that brownfield registers will be a vehicle for granting permission in principle for new homes on suitable brownfield sites. Our ambition is for 90% of brownfield land suitable for housing to have planning permission by 2020.

22. To ensure that all possible opportunities for brownfield development are pursued, we propose to make clearer in national policy that substantial weight should be given to the benefits of using brownfield land for housing (in effect, a form of 'presumption' in favour of brownfield land). We propose to make it clear that development proposals for housing on brownfield sites should be supported, unless overriding conflicts with the Local Plan or the National Planning Policy Framework can be demonstrated and cannot be mitigated.
23. Small sites of less than 10 units play an important role in helping to meet local housing need, and the majority of these sites are on brownfield land. In the year to June 2015, planning permission was granted for 39,000 dwellings on small sites, accounting for 16% of all dwellings granted planning permission⁴. However, in 2014 there were only 2,400 registered house builders who build between 1 and 100 homes per year compared to 5,700 in 2006. Building new homes on small sites, whether in rural or urban locations, can deliver a range of economic and social benefits, including:
- providing opportunities for small and medium-sized companies to enter the development market, helping to promote competition and quality in the house-building market;
 - increasing build out rates in local areas;
 - creating local jobs and sustaining local growth, particularly in rural areas; and
 - making effective use of developable land.

Q7. Do you consider that it would be beneficial to strengthen policy on development of brownfield land for housing? If not, why not and are there any unintended impacts that we should take into account?

24. In light of the clear benefits set out above of enabling development on small sites, we want to ensure that all proposals for sustainable development on small sites of less than 10 units are strongly supported by national policy. This will complement the measures in the Housing and Planning Bill to make it easier for applicants to secure permission in principle for development on small sites. Most Local Plans include clear policies supporting small windfall sites, but there continue to be concerns about the challenges and uncertainty associated with identifying small sites. We propose to apply the approach described above for brownfield land to other small sites, provided they are within existing settlement boundaries and well-designed to promote or reinforce local distinctiveness. In doing so we will retain protection against unwanted development of back gardens. We also intend to make clear that proposals for development on small sites immediately adjacent to settlement boundaries should be carefully considered and supported if they are sustainable. We would welcome views on how the proposed policy change to support small sites could impact on the calculation of local planning authorities' five-year land supply, and any clarification that may be needed on this point.

⁴ DCLG analysis of data provided by Glenigan on Local Authority decisions

Q8. Do you consider that it would be beneficial to strengthen policy on development of small sites for housing? If not, why not? How could the change impact on the calculation of local planning authorities' five-year land supply?

Q9. Do you agree with the Government proposal to define a small site as a site of less than 10 units? If not, what other definition do you consider is appropriate, and why?

25. The vast majority of Local Plans adopt a criteria-based approach for small sites. We would welcome views on whether national planning policy should make clear that local planning authorities develop clear, positive Local Plan policies against which to assess windfall applications for small sites. This plan-led approach would increase transparency and create greater certainty for developers on whether these sites will come forward for development.

Q10. Do you consider that national planning policy should set out that local planning authorities should put in place a specific positive local policy for assessing applications for development on small sites not allocated in the Local Plan?

26. In the year to June 2015, 52,800 planning decisions were made by local planning authorities concerning residential development on small sites of less than 10 units. Of these, 13,600 applications were refused⁵. It is roughly estimated that around 5,000 of these refused applications may have been supported under the proposed more positive policy (drawing on DCLG analysis of decisions made by local planning authorities).

Ensuring housing is delivered on land allocated in plans

27. While more needs to be done to ensure all areas have an up-to-date Local Plan in place, 83% of local planning authorities have now at least published a plan and 66% have an adopted plan in place. Across the country, provision has been made in plans for over 200,000 housing units each year, although in some of the areas of highest demand provision is below the level that would be needed to meet objectively assessed need. In the year to June 2015, planning permission was granted for 242,000 new homes⁶. However, there is a significant shortfall between the number of homes that we need to build to keep up with housing requirements and the net additions to the housing stock.

⁵ DCLG planning applications statistics - Live Table P124

⁶ DCLG analysis of data provided by Glenigan on local planning authority decisions.

28. We recognise that there may be many reasons why homes cannot be built out at the anticipated rate of delivery, and it is important that there are sufficient incentives and tools in place to support the timely build out of consented development.
29. Driving up delivery rates depends on all partners playing their part. Local planning authorities can help to ensure that homes delivered match local requirements in a number of ways, including: allocating a good mix of sites in their Local Plans; efficient discharge of planning conditions; helping to resolve other blockages to development (such as other consents required); shortening the timescale by which development must begin; and ensuring a sufficient pipeline of deliverable planning permissions. Developers can also play their part, and we are discussing with house builders and others what steps should be taken to drive faster build-out.
30. One approach we are looking to take forward is to amend national planning policy to ensure action is taken where there is a significant shortfall between the homes provided for in Local Plans and the houses being built. Our proposal, announced at Autumn Statement 2015⁷, is to introduce a housing delivery test. We envisage this approach working by comparing the number of homes that local planning authorities set out to deliver in their Local Plan against the net additions in housing supply in a local planning authority area.
31. Understanding and identifying under-delivery relies on accurate and timely information prepared and made publicly available. The department publishes National Statistics on net supply of new homes by local authorities every year. This could provide the benchmark against which delivery rates are assessed. However, we would welcome views on the baseline against which local housing delivery should be assessed. Existing options include data in Authority Monitoring Reports against Local Plan targets⁸; or proposed housing trajectories. One approach could be to express significant under-delivery as a percentage below expected delivery. We envisage the assessment being made over a two-year period so that it is not distorted by short-term fluctuations.
32. To strengthen the incentive for delivery on consented sites, we propose to amend planning policy to make clear that where significant under-delivery is identified over a sustained period, action needs to be taken to address this. We would welcome views on what steps should be taken in these circumstances.
33. One approach could be to identify additional sustainable sites if the existing approach is demonstrably not delivering the housing required. These would need to be in sustainable locations, well served by infrastructure, and with clear

⁷ *Spending Review and Autumn Statement 2015 (HM Treasury)*

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/479749/52229_Blue_Book_P_U1865_Web_Accessible.pdf (page 41)

⁸ See Regulation 34(3) of The Town and Country Planning (Local Planning) (England) Regulations 2012 (SI 2012/767)

prospects for delivery which could be specifically set out as part of any future planning consent. A range of sites may be appropriate, which could include new settlements. In such instances local planning authorities may need to consider whether a review or partial review of their plans are needed, or whether such settlements can be delivered through additional development plan documents – such as Area Action Plans. Such an approach would present an opportunity for local planning authorities, working with developers and their local communities, to undertake rapid and targeted policy reviews, including appropriate consultation, so that additional land in sustainable locations can come forward.

Q11. We would welcome your views on how best to implement the housing delivery test, and in particular

- **What do you consider should be the baseline against which to monitor delivery of new housing?**
- **What should constitute significant under-delivery, and over what time period?**
- **What steps should be taken in response to significant under-delivery?**
- **How do you see this approach working when the housing policies in the Local Plan are not up-to-date?**

Q12. What would be the impact of a housing delivery test on development activity?

Supporting delivery of starter homes

34. National planning policy contains an exception site planning policy to release land specifically for starter homes⁹. This allows applicants to bring forward proposals on unviable or underused commercial or industrial brownfield land not currently identified in the Local Plan for housing.

Unviable and underused commercial and employment land

35. National planning policy is clear that the planning system should support sustainable economic growth and local planning authorities should plan positively to meet the business development needs of their areas. A balance needs to be struck between making land available to meet commercial and economic needs, and not reserving land which has little likelihood of being taken up for these uses. Paragraph 22 of the National Planning Policy Framework is clear that where there is no reasonable prospect of land allocated for employment uses in the Local Plan coming into use, such land should not be subject to long term protection.
36. The Productivity Plan¹⁰ set out our intention to bring forward proposals to extend the current exception site policy, and strengthen the presumption in favour of Starter Home developments, starting with unviable or underused brownfield land for retail, leisure and institutional uses. It also set out our commitment to consider how national policy and guidance can ensure that unneeded commercial land can be released for housing.
37. We want to ensure that unviable or underused commercial and employment land is released under the exception site policy for starter homes. We propose to amend paragraph 22 of the Framework to make clear that unviable or underused employment land should be released unless there is significant and compelling evidence to justify why such land should be retained for employment use. At a minimum, this would include an up-to-date needs assessment and significant additional evidence of market demand. As set out in Planning Practice Guidance, appropriate consideration should also be given to trends in land values for commercial and employment uses, against land values for other uses including residential.

⁹ Starter Homes Written Ministerial Statement, Minister for State for Department for Communities and Local Government, 2 March 2015, plus accompanying planning guidance at <http://planningguidance.planningportal.gov.uk/blog/guidance/starter-homes/>

¹⁰ **Fixing the foundations: Creating a more prosperous nation** (July 2015) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/443898/Productivity_Plan_web.pdf

38. To avoid uncertainty on land availability, we wish to ensure our policy is as robust as possible. We are interested in views on the level and type of evidence which would justify retention of employment and commercial land. We are considering the merits of expecting local planning authorities to adopt a policy with a clear limit on the length of time (such as 3 years) that commercial or employment land should be protected if unused and there is not significant and compelling evidence of market interest of it coming forward within a 2 year timeframe. We would welcome views on this approach.
39. There is no comprehensive data on the amount of underused or unviable employment land across England as a whole. Data¹¹ suggests there were approximately 850 hectares of greenfield land allocated for employment use in the West Midlands in 2012-13. If a similar situation were replicated across England, this would equate to roughly 13,000 hectares in England¹². However, many of these sites are likely to be in the process of being developed or there may be clear market interest in developing them, but we do not know how many or the extent the sites would be viable for residential development. As an illustration, if around 10% of the 13,000 hectares of allocated employment land were vacant or underused and around 50% of such sites could be viably developed, this could free up an additional 650 hectares for housing.

Q13. What evidence would you suggest could be used to justify retention of land for commercial or similar use? Should there be a fixed time limit on land retention for commercial use?

40. Alongside these proposals, we propose to widen the scope of the current exception site policy for starter homes to incorporate other forms of unviable or underused brownfield land, such as land which was previously in use for retail, leisure and non-residential institutional uses (such as former health and educational sites). This will provide clarity about the scope of the exception site policy for applicants and local planning authorities, and release more land for starter homes.

Q14. Do you consider that the starter homes exception site policy should be extended to unviable or underused retail, leisure and non-residential institutional brownfield land?

41. The current exception site policy states that a planning application for a Starter Home development on an exception site should be approved unless the local planning authority can demonstrate that there are overriding conflicts with the National Planning Policy Framework that cannot be mitigated. The interpretation

¹¹ West Midlands Joint Monitoring Survey database

¹² DCLG analysis using the West Midlands Joint Monitoring Survey data and DCLG land use change statistics

of this policy has created uncertainty for applicants seeking to bring forward the first Starter Home applications.

42. To ensure there is greater certainty that planning permission will be granted for suitable proposals for starter homes on exception sites, we propose to be clearer about the grounds on which development might be refused, and to ensure that this is fully embedded in national planning policy. Specifically, we propose to amend the exception site policy to make it clearer that planning applications can only be rejected if there are overriding design, infrastructure and local environmental (such as flood risk) considerations that cannot be mitigated.

Q15. Do you support the proposal to strengthen the starter homes exception site policy? If not, why not?

Encouraging starter homes within mixed use commercial developments

43. We are keen to understand whether there is the potential to encourage a greater proportion of housing in general and starter homes in particular within mixed use commercial developments across the country, for example new town centre developments or existing town centre regeneration. As shopping patterns have changed, so have the shape of our town centres. Bringing starter homes into those centres will not only bring footfall, but help drive the regeneration of those towns, benefitting the wider community and helping to safeguard the future of town centres.
44. In cases where existing mixed use commercial developments contain unlet commercial units, we consider that where appropriate they could usefully be converted to housing including as starter homes. There would need to be clear evidence that the unit has remained unlet for a reasonable period or there is little likelihood of the unit being let for a commercial use.

Q16: Should starter homes form a significant element of any housing component within mixed use developments and converted unlet commercial units?

Encouraging starter homes in rural areas

45. The Government's Rural Productivity Plan¹³ set out priorities for growing the rural economy and the need to increase the availability of housing in rural towns and

¹³ *Towards a one nation economy: a 10 point plan for boosting productivity in rural areas.*
<https://www.gov.uk/government/publications/towards-a-one-nation-economy-a-10-point-plan-for-boosting-rural-productivity>

villages to enable them to thrive. The use of rural exception sites is an established means for supporting sensitive housing growth where it is locally supported and meeting local needs.

46. Starter homes can provide a valuable source of housing for rural areas and, if classified as affordable housing, then we consider it should be possible to deliver starter homes through the existing rural exception site policy. Local planning authorities have been bringing forward rural exception sites for a number of years. Data on affordable housing units built on rural exception sites is collected by the Department for Communities and Local Government¹⁴. In 2013/14 there were 1,642 units built. Rural exception sites are a useful tool for local planning authorities in rural areas to help meet a local community need.
47. We propose that starter homes on rural exception sites should be subject to the same minimum time limits on resale (5 years) as other starter homes to ensure local people are able to maximise the value of the home and secure a long term place in the local housing market. However, we also propose that local planning authorities would, exceptionally, have the flexibility to require a local connection test. This would reflect the particular needs of some rural areas where local connections are important and access to the housing market for working people can be difficult and would be consistent with existing policy on rural exception sites.

Q17. Should rural exception sites be used to deliver starter homes in rural areas? If so, should local planning authorities have the flexibility to require local connection tests?

Q18. Are there any other policy approaches to delivering starter homes in rural areas that you would support?

Enabling communities to identify opportunities for starter homes

48. Neighbourhood plans prepared by local communities present a further opportunity to provide housing for young people wishing to enter the housing market. We want them to consider the opportunities for starter homes in their area as they develop their plans.
49. National planning policy currently considers limited affordable housing for local community needs as “not inappropriate” in the Green Belt, where this is consistent with policies in the Local Plan. This does not give express support to

¹⁴ DCLG (2015) Local Authority Housing Statistics: <https://www.gov.uk/government/statistical-data-sets/local-authority-housing-statistics-data-returns-for-2013-to-2014>

neighbourhood plans which seek to allocate land in the Green Belt to meet housing need, where this is supported by the local community. We consider that the current policy can hinder locally-led housing development and propose to amend national planning policy so that neighbourhood plans can allocate appropriate small-scale sites in the Green Belt specifically for starter homes, with neighbourhood areas having the discretion to determine the scope of a small-scale site. This will support local areas in giving affordable home ownership opportunities to young people and young families by enabling a small level of development that is sympathetic to local concerns and is clearly supported by local people.

Q19. Should local communities have the opportunity to allocate sites for small scale Starter Home developments in their Green Belt through neighbourhood plans?

Brownfield land in the Green Belt

50. We are firmly committed to making sure the best possible use is made of all brownfield land that is suitable for housing, to reduce the need as far as possible to release other land. This could potentially include some brownfield land that sits within the Green Belt that already has buildings or structures and has previously been developed.
51. We are committed to protecting the Green Belt, and are maintaining the strong safeguards on Green Belt set out in national planning policy. These policies set a high bar against inappropriate development in Green Belt, while recognising that some parts of the Green Belt contain living and working communities that need to thrive. National planning policy sets out that most development in the Green Belt is inappropriate and should not be approved except in very special circumstances.
52. Only 0.1% of land in the Green Belt is previously developed brownfield land suitable for housing, often with structures or buildings in place. Limited infilling or the partial or complete redevelopment of such land – where this would not have a greater impact on the openness of the Green Belt and the purpose of including land within it than the existing development - is already deemed not inappropriate.
53. Since introduction of the initial exception site policy for starter homes in March 2015, we have given further consideration to the potential release of brownfield land in the Green Belt as part of our overall approach to delivering 200,000 starter homes. The Autumn Statement 2015 set out that we will bring forward proposals to amend national planning policy to allow for the development of brownfield land in the Green Belt providing it contributes to starter homes. We propose to change policy to support the regeneration of previously developed brownfield sites in the Green Belt by allowing them to be developed in the same way as other brownfield land, providing this contributes to the delivery of starter homes, and subject to local consultation. We propose to amend the current policy test in paragraph 89 of the National Planning Policy Framework that prevents development of brownfield land where there is any additional impact on the openness of the Green Belt to give more flexibility and enable suitable, sensitively designed redevelopment to

come forward. We would make it clear that development on such land may be considered not inappropriate development where any harm to openness is not substantial.

54. Based on data from the 2010 National Land Use Database, we estimate that across England there were 500 to 600 hectares of brownfield land in the Green Belt viable for starter homes development and not on open land¹⁵. There is no data to indicate how much of this land has subsequently been built on (including potentially commercial or industrial units), or how much further land of this type may have become available.

Q20. Should planning policy be amended to allow redevelopment of brownfield sites for starter homes through a more flexible approach to assessing the impact on openness?

¹⁵ Open land includes: Agriculture, Agriculture and fisheries, Car Parks, Defence, Mineral workings and quarries, Refuse disposal, Vacant, Vacant land, Transport tracks and ways, Other Vehicle Storage, Recreation and Leisure

Transitional arrangements

55. We have considered whether to propose introducing transitional arrangements for the changes set out in this consultation document. We recognise in particular that a change in the definition of affordable housing in national policy will require local authorities to consider their Local Plan policies in the context of relevant evidence. They may need to develop new policy as a result, and carry out a partial review of the Local Plan. The Planning Inspectorate has introduced a fast-track process for carrying out partial reviews of Local Plans which is intended to help local planning authorities make changes to their policies more easily. We propose to introduce a transitional period for the amended affordable housing definition so that local planning authorities can consider making amendments to their local policies. We would welcome views on the appropriate length of the transitional period to enable reviews to be undertaken. We envisage that a period of six to twelve months should be sufficient.
56. The Housing and Planning Bill is introducing a statutory duty on local authorities to promote the delivery of starter homes, and a requirement for a proportion of starter homes to be delivered on all suitable reasonably-sized housing developments.
57. We have carefully considered whether it would be appropriate for a transitional period to be introduced for any of the other proposed policy changes. Having considered the extent of their likely impact on plans that have already been adopted and plans that are in preparation, we have not identified a strong justification for transitional arrangements.
58. Our planning reforms since 2010 have placed Local Plans at the heart of the planning system. The Productivity Plan¹⁶ and subsequent Written Ministerial Statement¹⁷ made clear our commitment to ensuring that local planning authorities produce a Local Plan by early 2017. We do not intend that these policy proposals should slow down the preparation of existing Local Plans, nor do we consider it necessary for Local Plans now in the examination process to be revisited. However, we would welcome any views on this point.

Q21. We would welcome your views on our proposed transitional arrangements.

¹⁶ *Fixing the foundations: Creating a more prosperous nation* (July 2015)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/443898/Productivity_Plan_web.pdf

¹⁷ <http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statements/?page=1&max=20&questiontype=AllQuestions&house=commons%2clords&use-dates=True&answered-from=2015-07-20&dept=7>

General questions

Q22. What are your views on the assumptions and data sources set out in this document to estimate the impact of the proposed changes? Is there any other evidence which you think we need to consider?

Q23. Have you any other views on the implications of our proposed changes to national planning policy on people with protected characteristics as defined in the Equalities Act 2010? What evidence do you have on this matter?

Summary of Questions

a) Affordable Housing

Q1. Do you have any comments or suggestions about the proposal to amend the definition of affordable housing in national planning policy to include a wider range of low cost home ownership options?

Q2. Do you have any views on the implications of the proposed change to the definition of affordable housing on people with protected characteristics as defined in the Equalities Act 2010? What evidence do you have on this matter?

b) Increasing residential density around commuter hubs

Q3. Do you agree with the Government's definition of commuter hub? If not, what changes do you consider are required?

Q4. Do you have any further suggestions for proposals to support higher density development around commuter hubs through the planning system?

Q5. Do you agree that the Government should not introduce a minimum level of residential densities in national policy for areas around commuter hubs? If not, why not?

c) Supporting new settlements, development on brownfield land and small sites, and delivery of housing agrees in Local Plans

Q6. Do you consider that national planning policy should provide greater policy support for new settlements in meeting development needs? If not, why not?

Q7. Do you consider that it would be beneficial to strengthen policy on development of brownfield land for housing? If not, why not and are there any unintended impacts that we should take into account?

Q8. Do you consider that it would be beneficial to strengthen policy on development of small sites for housing? If not, why not? How could the change impact on the calculation of the local planning authorities' five-year land supply?

Q9. Do you agree with the Government proposal to define a small site as a site of less than 10 units? If not, what other definition do you consider is appropriate, and why?

Q10. Do you consider that national planning policy should set out that local planning authorities should put in place a specific positive local policy for assessing applications for development on small sites not allocated in the Local Plan?

Q11. We would welcome your views on how best to implement the housing delivery test, and in particular:

- **What do you consider should be the baseline against which to monitor delivery of new housing?**
- **What should constitute significant under-delivery, and over what time period?**
- **What steps do you think should be taken in response to significant under-delivery?**
- **How do you see this approach working when the housing policies in the Local Plan are not up-to-date?**

Q12. What would be the impact of a housing delivery test on development activity?

d) Supporting delivery of starter homes

Q13. What evidence would you suggest could be used to justify retention of land for commercial or similar use? Should there be a fixed time limit on land retention for commercial use?

Q14. Do you consider that the starter homes exception site policy should be extended to unviable or underused retail, leisure and non-residential institutional brownfield land?

Q15. Do you support the proposal to strengthen the starter homes exception site policy? If not, why not?

Q16. Should starter homes form a significant element of any housing component within mixed use developments and converted unlet commercial units?

Q17. Should rural exception sites be used to deliver starter homes in rural areas? If so, should local planning authorities have the flexibility to require local connection tests?

Q18. Are there any other policy approaches to delivering starter homes in rural areas that you would support?

Q19. Should local communities have the opportunity to allocate sites for small scale starter home developments in their Green Belt through neighbourhood plans?

Q20. Should planning policy be amended to allow redevelopment of brownfield sites for starter homes through a more flexible approach to assessing the impact on openness?

e) Transitional arrangements

Q21. We would welcome your views on our proposed transitional arrangements.

f) General questions

Q22. What are your views on the assumptions and data sources set out in this document to estimate the impact of the proposed changes? Is there any other evidence which you think we need to consider?

Q23. Have you any other views on the implications of our proposed changes to national planning policy on people with protected characteristics as defined in the Equalities Act 2010? What evidence do you have on this matter?

About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004.

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department for Communities and Local Government will process your personal data in accordance with DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.
Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact DCLG Consultation Co-ordinator.

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