

**LICENSING & PLANNING POLICY COMMITTEE
19 JANUARY 2016**

**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

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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 new 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.

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- 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.

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- 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.

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- 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