Part I Item No: 13 Main author:

Executive Member: Cllr Mandy Perkins

WELWYN HATFIELD BOROUGH COUNCIL CABINET HOUSING & PLANNING PANEL –18 FEBRUARY 2016 REPORT OF THE DIRECTOR (GOVERNANCE)

CONSULTATION ON PROPOSED CHANGES TO THE NPPF

1 Executive Summary

1.1 This report considers the implications of the government's proposed changes to the National Planning Policy Framework and proposes a response to the consultation questions which is set out in Appendix A.

2. Recommendation(s)

2.1 That Members agree the response to the consultation on the NPPF the report set out in Appendix A to this report.

3 Link to Corporate Priorities

3.1 This report relates to the Council's Corporate Priority 3 (Our Places).

2 Financial Implications

2.1 There are no resource implications associated with the consideration of this report.

3 Legal Implications

There are no legal implications arising directly as a result of this report.

4 Climate Change Implications

4.1 There are no direct climate change implications associated with this report.

5 Risk Management Implications

5.1 There are no direct risk management implications associated with this report.

6 Policy Implications

6.1 These proposed reforms are linked to the draft new legislation set out in the Housing and Planning Bill which is currently going through Parliament. The implications of the changes and the draft response are set out below.

7 Explanation

- 7.1 On 7th December 2015, the Department for Communities and Local Government published proposed changes to national planning policy. It covers the following areas but does not include any draft wording:
 - Broadening the definition of affordable housing, to expand the range of low cost housing opportunities (paragraphs 6-12);

- Increasing the density of development around commuter hubs, to make more efficient use of land in suitable locations (paragraphs 13-18);
- Supporting sustainable new settlements, development on brownfield land and small sites, and delivery of housing agreed in Local Plans (paragraphs 19-33);
- Supporting delivery of starter homes (paragraphs 34-54); and
- Transitional arrangements (paragraphs 55-58).
- 7.2 A summary of the proposals and a comment on their implication is set out below and the detailed response to the consultation questions is set in Appendix A to this report.

Affordable Housing

- 7.3 The government are proposing to amend the definition of affordable housing. The government considers that whilst shared ownership and shared equity does allow for home ownership to fall within the definition it is too restrictive as it limits the options available.
- 7.4 It is proposed that the definition will continue to include a range of affordable products for rent and for ownership whose needs are not met by the market. However the range of products that will qualify will be expanded some of which may not be subject to be affordable 'in perpetuity'.
- 7.5 The proposed changes will also clarify policy relating to the requirement to plan to meet the needs of those who aspire to home ownership alongside those whose needs are best met through rented homes subject to viability of sites.
- 7.6 This will be accompanied by a statutory requirement in the Housing and Planning Bill to promote the delivery of Starter Homes and a requirement that on all suitable sites a proportion should be for starter homes.

Comments:

- 7.7 This change of definition is linked to the government's policy approach to Starter Homes. The effect in an area like Welwyn Hatfield will be to reduce the number of homes a scheme could deliver for social rent, affordable housing and shared ownership. The removal of the requirement to be affordable in perpetuity will also result in a further diminution of the stock of affordable housing.
- 7.8 Whilst the aspiration to help young people to afford their own home is supported this particular approach will have a negative impact on the council's ability to provide housing for those most in need.
 - Increasing residential density around commuter hubs
- 7.9 The NPPF currently enables LPAs to set densities in the Local Plan but does not require it. The approach set out in the Emerging Core Strategy was to encourage higher density development in accessible locations such as town and neighbourhood centres. The government considers that transport hubs often provide suitable locations for higher density development, and it is sensible to encourage additional development in well-connected areas with sufficient capacity for growth. The proposed change would require higher densities

wherever feasible possibly based on new development being built to national space standard. High densities would be determined locally although the government is asking whether minimum densities should be set out in the NPPF.

- 7.10 Commuter hubs would be defined as
 - A public transport interchanges (rail tube or tram) where people can board or alight to continue the journey by other public transport, walking or cycling; and
 - A frequent service or the potential to have a frequent service of at least every 15 minutes.

Comment:

- 7.11 Accessibility to railway station or frequent bus service is not the only criterion to ensure a location is sustainable as access to shops, services and jobs is also a factor. It is for the local plan to set a definition but in Welwyn Hatfield high density development could have an impact on the setting of Hatfield House which is a grade 1 listed building. Capacity of road network and infrastructure might also be an issue which would need to be taken into account. Higher density development can be less viable as flats tend to be less viable to deliver than houses this could then impact on level of infrastructure and amount of affordable housing that can be delivered.
- 7.12 Rather than 'require' it is considered that the NPPF could 'encourage' higher density development in 'appropriate' locations rather than 'where feasible'.
 - Supporting sustainable new settlements,
- 7.13 The government proposes to strengthen national planning policy to provide a more supportive approach for new settlements, within locally-led plans. The government considers 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.
- 7.14 It is unclear what the requirement would mean in practice. It is important that Local Planning Authorities are adequately funded to carry out this work and this is likely to be a strategic issue requiring joint work with other authorities.
 - Development on brownfield land and small sites,
- 7.15 The government considers that Local Plans should encourage the effective use of brownfield land. The Housing and Planning Bill will require Local Planning Authorities to set up and maintain registers of brownfield sites suitable for housing. These will give 'Permission in Principle' and the government intend that 90% of brownfield land suitable for housing will have permission in principle by 2020.
- 7.16 The Housing and Planning Bill also make provision for Permission in Principle to sites identified in local and neighbourhood plans. There is no reference to this in the consultation on the changes in the NPPF.
- 7.17 To ensure that all possible opportunities for brownfield development are pursued there is to be a presumption in favour of brownfield development for housing

- unless there are overriding conflicts with the Local Plan or the NPPF and cannot be mitigated.
- 7.18 This section also talks about the benefits of small sites coming forward with an implication that this approach would relate to such sites. The Housing and Planning Bill makes provision for applicants to obtain permission in principle for small sites and the consultation document proposes a definition that these would be defined as sites under 10 within settlement boundaries. There would be a requirement for them to be well designed to promote or reinforce local distinctiveness. Small sites adjacent to settlement boundaries should also be carefully considered.

Comment:

- 7.19 With regards to brownfield sites whilst there is no issue with the presumption as such it is considered that the Permission in Principle will not be a sufficient incentive to bring forward more expensive brownfield sites over green field sites.
- 7.20 With regards to the approach to small sites it is unclear whether a register approach is what is being promoted in the consultation. Either way it is considered that a better approach would be to require Local Planning Authorities to include a windfall policy setting out the criteria for assessing small sites including brownfield sites.
- 7.21 The government states that of the 13,600 refusals for permission on small sites the government considers that approximately 5,000 would be approved with this new positive approach. However there are no details of the type of decision they are referring to consider whether this would be applicable in Welwyn Hatfield.
 - Delivery of housing agreed in Local Plans Q11 &12
- 7.22 The government states that more needs to be done to ensure that all areas have a Local Plan which already make provision for over 200,000 new homes each year. In the year up to June 2015 planning permission was granted for 242,000 new homes. However insufficient dwellings are being built.
- 7.23 The government considers that Local Planning Authorities have a role to play in increasing delivery rates including allocating a good mix of sites, efficient discharge of conditions and a pipeline of sites with planning permission, and shortening timescales by which development must begin.
- 7.24 The government is also considering amending the NPPF to ensure action is taken where there is a shortfall between the homes and the houses being built. They propose introducing a housing delivery test which would compare the number of homes in the requirement against the number being developed. They suggest that government data could provide the benchmark against which the target is assessed but reference is also made to Annual Monitoring reports. They propose that the assessment is made over a two year period. Where significant under delivery is identified there would be a requirement to take action.
- 7.25 This is likely to be a requirement to identify 'additional sustainable sites', which could include new settlements. This may involve a review or partial review of the plan.

Comment:

7.26 It is considered that a two year period is too short a period to be considered to be significant under delivery. This would be particularly so in situations where a Local Plan has just been adopted or there is a recession. No proposal is put forward for what would constitute significant under delivery but there is a suggestion that it could be expressed as a percentage figure below expected delivery. Whilst this is considered to be a reasonable starting point it is considered that a comparison with delivery in adjoining areas should be made and also consideration of supply in preceding years for example has there been oversupply which has flooded the market.

Supporting delivery of starter homes Q13, 14 15 and 16

- 7.27 The consultation document refers to the need to strike a balance 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. The NPPF allows for such changes of use to take place and as a consequence Welwyn Hatfield no longer has sufficient employment land to meet its future needs.
- 7.28 Such sites are to be considered suitable for Starter Homes and this has been incorporated into the Planning Practice Guidance and this is intended to be extended to include not only employment land but also underused retail leisure and institutional land.
- 7.29 Employment land will have to be released for starter homes 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. The consultation suggests that land should be vacant for no more than 3 years and there is no significant or compelling evidence of market interest coming forward within a 2 year timeframe.
- 7.30 The consultation then goes on to ask whether starter homes should form a significant component within mixed use schemes.
- 7.31 Comment:
- 7.32 The proposals will effectively make it impossible to plan for a fifteen year period as land can be released after 3 years when there has been two years of marketing. Therefore land required to meet community or infrastructure needs for future housing will not be protected.
- 7.33 The proportion of starter homes that could come forward in mixed use schemes should be based on an assessment of need and viability rather than an arbitrary target.
 - Starter homes and rural areas Q17, 18 19 and 20
- 7.34 The consultation then poses the question as to whether starter homes should be provided on rural exception sites and if so should local authorities be able to impose a local connection test; whether local communities should be able to allocate sites in the GreenBelt through neighbourhood plans; and whether brownfield sites in the Green Belt should be redeveloped for starter homes through a more flexible approach to assessing the impact on openness to "give

more flexibility and enable suitable, sensitively designed redevelopment to come forward" where harm to the openness is not substantial.

Comment:

- 7.35 It is considered that it would be appropriate to require a local connection as this would be consistent with existing policy or rural exceptions sites. It would be appropriate for such sites to be identified in Neighbourhood Plans where there is evidence of a need.
- 7.36 Previously developed sites in the Green Belt can already be redeveloped where there is no harm to openness, but allowing redevelopment with potentially large increases in floorspace can mean that sites in remote locations and with very poor public transport access come forward.

Transitional arrangements Q21

- 7.37 The government realise that the change in the definition of affordable housing will result in the need to review and amend local plan policies. They have therefore asked the Planning Inspectorate to introduce a fast track process for examining such alterations to local plan to take place and are suggesting as 6-12 month transitional period but not to other proposed changes in the NPPF.
- 7.38 They consider that these proposals should not slow down the preparation of emerging plans but would like views on this.
- 7.39 Comment.
- 7.40 The proposals have the potential to delay the production of the Local Plan as there will be a need to review the evidence and identify reserve land for a range of uses which maybe lost to starter homes.

8 Equalities and Diversity

8.1 The government's proposals have been subject to an equalities impact assessment. In responding to the consultation attention has been drawn to where it is considered there will be an adverse impact on those most disadvantaged in society which will include the elderly and those with disabilities.

Sue Tiley Planning Policy and Implementation Manager 28/1/16

Appendices

Appendix A: Response to consultation

Background Papers

Consultation on proposed changes to national planning policy https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/482889/C onsultationNPPF fin.pdf