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Date: *23 April 2014*

NOTIFICATION OF PORTFOLIO HOLDER DECISION

On 22 April 2014 Cllr Vickers, the Planning and Transportation Portfolio Holder, made the following decision. Any member of the Council, who is not a Portfolio Holder, who considers that this decision should be reviewed should give notice to the Monitoring Officer (Grainne O'Rourke) (in writing or by e-mail) to be received **ON OR BY WEDNESDAY 30 APRIL 2014**.

Details of the documents the Portfolio Holder considered are attached.

DECISION:

To agree the response to be sent to the Department of Communities and Local Government on their consultation on proposals to change the criteria for monitoring planning performance and also the thresholds for seeking developers' contributions.

REASON(S):

As set out in the report considered by the Portfolio Holder.

ANY ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

As set out in the report considered by the Portfolio Holder.

CONFLICTS OF INTEREST DECLARED:

None

For Further Information Please Contact:

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PLANNING & TRANSPORTATION PORTFOLIO HOLDER DECISION – APRIL 2014

RESPONSE TO DCLG CONSULTATION ON PLANNING PERFORMANCE AND PLANNING CONTRIBUTIONS

1. INTRODUCTION

- 1.1 In March 2014 the Government published this consultation and are seeking a response by the 4th May. It is in two distinct parts, the first seeking views on altering the criteria for defining underperforming planning authorities in terms of how quickly they deal with major planning applications. The second, which is far more significant for New Forest District Council, is considering whether to limit Section 106 payments on schemes of 10 or less residential units.
- 1.2 The detailed response to the consultation is set out in Appendix 1.

2. PLANNING PERFORMANCE

- 2.1 The Government believe that an effective planning service should make timely and well considered planning decisions. At the moment it defines an underperforming authority as one that determines less than 30% of its major applications in 13 weeks. Only a small number of authorities are currently judged to be underperforming on this criteria and the consultation is about whether this threshold should be raised to 40, 45 or 50%.
- 2.2 New Forest District Councils performance against this criterion in 2013/14 was 59% on the determination of 26 major applications.
- 2.3 There is an argument that it is perverse to set national targets on the basis of the speed of determination which ignores the quality of the outcome and often the applicants wish to negotiate permission even if it takes more than 13 weeks. Notwithstanding this as NFDC is not affected by these changes and applicants should be able to expect a timely service the response is framed in this fashion.

3. PLANNING CONTRIBUTIONS

3.1 Affordable Housing Contributions on sites of 10 units or less

- 3.1.1 The consultation states that planning obligations for affordable housing on small sites make up about 50% of the value of all planning contributions required. It says that this, including for those who wish to build their own home, can make a scheme unviable. It asks for views on whether any scheme of 10 or less units, with a maximum gross floorspace of 1000 square metres, not including rural exception schemes or domestic annexes should be exempt from any affordable housing contributions.
- 3.1.2 This change would have a major adverse impact on NFDC's corporate objective of seeking to achieve as many affordable houses as possible by use of the planning system. We have conducted viability studies to check that our planning policies do not have the impact the Government fear and we do individual viability appraisals on

schemes where an applicant asks us to do so. Our local policies work well and it must be contrary to the spirit of “localism” to introduce a national rule which does not take account of the local housing market.

3.1.3 The final question is whether we should incentivise brownfield site development by exempting them where they are bringing an existing building back into use. This is less of an issue but there is no reason why this cannot be covered by individual viability studies.

3.1.4 It is recommended that for the detailed reasons, set out in Appendix 1 to this report, NFDC object to this change in the strongest possible terms. We do not apply our policies to domestic extensions or annexes which are related to the principal household.

4. FINANCIAL IMPLICATIONS

4.1 There are no direct financial implications arising from the proposed changes. However the Council is using the planning system to provide as much affordable housing in the District as possible in line with existing viability criteria. It is also using its housing funds to acquire affordable housing provided under Section 106 as Council housing where this can be successfully negotiated with developers. Both of these objectives will be adversely affected if the Section 106 changes are implemented.

5. EQUALITY, DIVERSITY ENVIRONMENTAL AND CRIME & DISORDER IMPLICATIONS

5.1 None

6. RECOMMENDATIONS

6.1 That the answers to the consultation questions as set out in Appendix 1 to this report be sent as NFDC’s response to the consultation.

7. PORTFOLIO HOLDER ENDORSEMENT

I have agreed to the recommendations of this report.

Signed:
 CLLR F P VICKERS

 22-04-14
Date:

Background papers:

DCLG, Planning performance and planning contributions, consultation, March 2014
<https://www.gov.uk/government/consultations/planning-performance-and-planning-contributions>

For further information contact:

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Date on which notice given of this Decision – 23 April 2014

Last date for call-in – 30 April 2014

New Forest District Council Response to DCLG Consultation March 2014

Planning Performance and Planning Contributions

Planning Performance

Question 1: Do you agree that the threshold for designating authorities as under-performing, based on speed, should increase to 40% or fewer of decisions made on time?

Response

The Council would have no objection to the threshold being raised to 40% but it has a general concern that the speed of determination of major applications is not the only factor that leads to an effective planning service. The quality of outcomes is probably a more important consideration.

Question 2: Do you think there is scope to raise the threshold for under-performance above 40% (for example to 45% or 50%); and, if so, by when?

Response

Scope exists given the levels of performance now being achieved by the majority of LPA's, but see 1 above.

Question 3: Do you agree that authorities that have dealt with no more than two applications for major development, over the two year assessment period, should be exempt from designation based on their speed of decisions?

Response

Yes, there should be a higher threshold.

Question 4: Do you agree that the tests set out at paragraph 21 of this consultation are appropriate for taking exceptional circumstances into account, prior to designations being confirmed?

Response

Yes, special circumstances should always be taken into account.

Amending section 106 planning obligations

Question 5: Is the Government's objective of aiding the delivery of small scale housing sites and expanding the self-build housing market supported by:

- the introduction of a 10-unit and 1000 square metres gross floor space threshold for section 106 affordable housing contributions; and
- the exclusion of domestic extensions and annexes from making section 106 affordable housing contributions?

Response

No it is not. The existing system of viability assessments on individual applications works perfectly efficiently to ensure that small sites can be developed and provide much needed affordable housing. It is contrary to the spirit of "Localism" to impose a national requirement which takes no account of local housing markets

Detailed Commentary

New Forest District Council strongly objects to proposals to impose a national policy regarding the threshold for affordable housing provision on residential development sites. The National Planning Policy Framework made clear that the setting of affordable housing policies was a local matter for local planning authorities to address through the preparation of their Local Plan, in accordance with the Government's 'localism' agenda.

This Council has a complete adopted Local Plan under the Local Development Framework system. Preparation of this Plan included detailed work related to the local housing market in the Plan Area, including looking at the viability of small residential development sites to provide affordable housing. That evidence concluded that in this district it was normally viable for sites of less than 10 dwellings to provide affordable housing. The evidence base for the Council's policy has been tested through a Public Examination process and is now established in an adopted Local Plan policy.

This Council has for many years given a high priority to addressing the local need for affordable housing, and requiring, where viable, all sites (whatever their size) to make provision for affordable housing to meet the needs of local people. Around a third of new housing development within the district is achieved on sites of less than 10 dwellings. Under the Council's adopted Local Plan policy, over the plan period around 400 new affordable homes will be provided by residential developments of less than 10 dwellings. Consequently, the change suggested in this consultation would mean that up to around 400 of the homes which will be built in this area over the plan period will no longer be affordable homes for local people.

The proposed changes to affordable housing thresholds will make no difference to genuine self-build developers. If the aim of this policy change is to help this very small sector of the housing market (this Council can only re-call two planning

applications for self-build homes in the past 5 years), then this can be achieved by amending the definition of affordable housing in Annex 2 of the NPPF to include single self-built dwellings. For example the definition of 'affordable housing' could be amended to include: "a self-built home, where the dwelling has been self-built by its future occupier for sole occupation by themselves and their immediate family for a minimum of 5 years". Such a change will help genuine 'self-builders' while maintaining a significant supply of new affordable homes provided on smaller development sites for other local people.

The introduction of the change to a 10-unit and 1000 square metres gross floor space threshold would have the effect of increasing the land values for small sites. This Council has progressed the introduction of the Community Infrastructure Levy through to the Examination stage and received the Examiner's Report recommending adoption of a charging schedule. The evidence base used to establish the CIL charge for residential development included the assumption that all residential development would be required to provide affordable housing in accordance with the adopted Local Plan policies. The CIL charge has therefore been set at a modest, restrained level in acknowledgement of the requirements to provide for affordable housing (which is a priority for this Council). If the requirement for small sites to contribute towards affordable housing is removed by the suggested change in national policy, this will undermine the evidence base upon which CIL charges in this area have been established. The outcome will be increased site values (to the benefit of the landowner but not benefiting those wishing to address their housing needs, either through market or affordable housing), under charging of CIL and reduced affordable housing provision.

The Council has no comment to make on the exclusion of domestic extensions and annexes from S.106 affordable housing contributions as it has never sought to seek affordable housing contributions from these forms of development.

Question 6: Should the proposed exemption apply beyond affordable housing to other tariff style contributions based on standard formulae?

Response

No. All new housing, whether part of a small development or part of a big development, has an impact on the local environment and should address those impacts as appropriate, proportionally to its impact.

Question 7: We would like your views on the impact on the Government's policy objectives to incentivise brownfield development through proposed national policy change. This would reduce the financial burden on developers by requiring that affordable housing contributions should not be sought where buildings are brought back into any use – other than proportionately for any increase in floor space.

Response

While the Council agree that the government should consider measures to aid the delivery of new development on problematic brownfield sites, the Council does not support a national policy change in respect of affordable housing contributions,

which would be applied to all brownfield sites. Affordable housing is being successfully delivered on brownfield sites in this area.

Local affordable housing policies, such as those in the Council's adopted Local Plan, set targets for affordable housing provision. They are not regarded as a fixed requirement and are subject to negotiation, not least on the grounds of economic viability. Affordable housing requirements may be reduced where viability evidence supports a reduction in contributions to enable an otherwise acceptable development to go ahead. There is no evidence in this district to suggest that brownfield sites are not being brought forward for development. Around 75% of new homes built in this area are on brownfield sites. If national planning policy was changed so that brownfield development did not contribute towards affordable housing provision, this area could lose up to 75% of new affordable housing. This would result in further pressure to release land in the Green Belt to address local housing needs.