PORTFOLIO: PLANNING AND INFRASTRUCTURE

## CHANGES TO THE CURRENT PLANNING SYSTEM CONSULTATION

#### 1. RECOMMENDATIONS

That the Cabinet:

- (a) Notes the key elements and implications of Government consultation; and
- (b) Delegates authority to the Chief Planning Officer to respond to the consultation on Changes to the current Planning System in consultation with the Portfolio Holder for Planning and Infrastructure.

### 2. INTRODUCTION

2.1 On the 6<sup>th</sup> August 2020 the Government launched two consultations on proposed changes to the planning system.

The 'Planning for the Future' White Paper on proposals to fundamentally reform the planning system; and

The 'Changes to the current planning system' which is a consultation seeking views on a range of proposed changes to the current planning system including;

2.2 This report relates to the second consultation only. The consultation is an 8 week consultation which closes on the 1<sup>st</sup> October 2020. There will be a separate report to the October Cabinet on the first consultation White Paper 'Planning for the Future' which proposes wide-ranging change to the planning system essentially replacing the 1947 Town and Country Planning Act. The second consultation closes on the 29<sup>th</sup> October 2020.

#### 3. CHANGES TO THE CURRENT PLANNING SYSTEM

- 3.1 This consultation proposes specific changes in the short term to the current planning system to improve the effectiveness of the system in advance of the introduction of a new planning system. The four main proposals are:
  - a. Changes to the standard method of assessing local housing need
  - b. Securing of First Homes sold at a discount to market price for first time buyers including key workers, through developer contributions in the short term
  - c. Temporarily lifting of small sites threshold below which developers do not need to contribute to affordable housing, to up to 40 or 50 units to support SME builders as the economy recovers from the impact of Covid 19
  - d. Extending the current Permission in Principle to major development so landowners and developers now have a fast route to secure the principle of development for housing sites without having to work up detailed plans first.

- 3.2 The changes to the standard method for assessing local housing need are technical in nature. They will not immediately affect NFDC due to the recent adoption of a Local Plan. The figure generated from the whole of the district is 782 dwellings per annum, compared to the previous standard method result of 729 dpa and the adopted Local Plan targets of 561dpa (NFDC 521 dpa + NFNPA 40 dpa). Should the White Paper proposals be implemented, the standard method would be moderated where land supply is significantly constrained in a manner yet to be described.
- 3.3 First Homes: The government intend to set out in policy that a minimum of 25 per cent of all affordable housing units secured through developer contributions should be First Homes, targeting first time buyers. This will be a national threshold set out in planning policy. The minimum discount for First Homes should be 30% from market price which will be set by an independent registered valuer (higher discount rates could only be set by Local Plan review). The discount would apply in perpetuity. The Government proposes that, under the new system, a policy complaint planning application should seek to capture the same amount of value as would be captured under the local authority's up to date Local Plan policy.
- 3.4 The Government also proposes to make a change to affordable housing exception sites to specify that the affordable homes delivered should be First Homes for local, first-time buyers (this would not apply in the National Park area). There would be the flexibility in the policy to allow a small proportion of other affordable homes to be delivered on these sites where there is significant identified local need.
- 3.5 The consultation proposes that the government introduce an exemption from Community Infrastructure Levy for First Homes.
- 3.6 In line with government initiatives to support SME builders, and in light of Covid 19 to stimulate economic recovery with the particular focus on SMEs, the consultation proposes temporarily lifting the small sites threshold for affordable housing from 10 units to 40-50 units initially for 18 months. It is suggested that measures would be put in place to control the partitioning of larger sites to avoid affordable housing contributions.
- 3.7 Permission in Principle was introduced in 2017 as a new faster way of obtaining planning permission for housing led development. this is done by giving authorities the power to grant Permission in Principle on suitable sites allocated on registers of brownfield land. It is proposed to extend the current Permission in Principle to major developments. The existing restrictions in the Permission in Principle Regulations relating to EIA and Habitats requirements will remain, reflecting that fact that Permission in Principle is granted on the basis of limited technical information and there is not sufficient environmental information for these requirements to be accurately assessed at the point of decision.

## 4. CONCLUSIONS

4.1 It is recommended that the Council makes a detailed, technical response' to the consultation. Preparation of the response is recommended to be delegated to the Chief Planning Officer in consultation with the Planning and Infrastructure Portfolio Holder.

# 5. FINANCIAL, CRIME & DISORDER, ENVIRONMENTAL, EQUALITY & DIVERSITY AND DATA PROTECTION IMPLICATIONS

5.1 None in responding to the consultation, but potentially significant financial and environmental implications depending on how the proposed reforms are progressed.

#### 6. PORTFOLIO HOLDER COMMENTS

- 6.1 The report relates to the first of two consultations on changes to the planning system published by the Government. As set out in the report, a second paper will come to Cabinet at a later date on the 'Planning for the Future' consultation, which is concerned with an almost wholescale reform of the planning system, potentially sweeping aside planning safeguards that have protected the New Forest for over 60 years.
- 6.2 The consultation upon which this paper seeks authority for the Chief Planning Officer to submit a response on behalf of the Council deals with potential changes to the current planning system. Some of the proposals may be welcomed, such as those relating to 'First Homes'. However, at a time when housing affordability is a significant national issue and an acute local one in the New Forest, the proposals to increase the threshold for the provision of affordable housing on sites of 10 or more dwellings to 40 or 50 is inexplicable. There is no doubt that supporting economic growth should be a key priority in the recovery from the impacts of Covid-19, but this cannot be at the expense of providing affordable homes.

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