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**WOKINGHAM
BOROUGH COUNCIL**

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To:- All Committee Members

**EXECUTIVE - INDIVIDUAL MEMBER DECISIONS -
10.05AM, TUESDAY, 16TH FEBRUARY, 2016**

I am now able to enclose, for consideration at the next Tuesday, 16th February, 2016 meeting of the Executive - Individual Member Decisions, the following attachment, referred to in the report, which includes the text of the Council's consultation response.

Agenda No Item

IMD6 **Proposed changes to National Planning Policy (Pages 3 - 14)**

To agree the WBC response to the consultation document.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andy Couldrick', written in a cursive style.

Andy Couldrick
Chief Executive

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Agenda Item IMD6

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?

The Council has concerns about affordable housing not being affordable in perpetuity. This could reduce the ratio of affordable housing stock in the borough.

The homes will not be available to a wide range of age groups as this only applies to people under 40 years of age and not accessible to all and may not be available to those on genuinely low incomes.

Whilst the Council welcomes more opportunities for young people to be able to get onto the housing ladder, its main concerns are around starter homes not being affordable housing in perpetuity. As currently proposed, starter homes will only be discounted for 5 years. Therefore, in most instances, only one household will benefit from the discount, which could be as much as £62,500. This is above typical grant levels for affordable housing in recent years and is not efficient use of scarce public resources. Inclusion of low cost home ownership into the affordable housing definition could squeeze out other affordable housing tenures, and with the starter home properties not being affordable housing in perpetuity it may reduce the number of units of affordable housing stock over the longer term. In Wokingham Borough there is a real need for social rental properties which may see a reduction should starter homes become included within affordable housing. The Council's concern is that developers will be able to fulfil their affordable housing obligations by only providing starter homes on some sites without providing any other affordable housing tenures. With the local private rental market being small and very competitive, this could have a detrimental impact on low income households who will find themselves with limited sustainable housing options. There is also a concern that this may impact on those requiring temporary accommodation or finding themselves at increased risk of homelessness. Whilst starter homes will provide a more affordable means for young people to get into home ownership, delivery of starter homes should not be prioritised above housing that is genuinely affordable to lower income groups. The Council strongly supports that local authorities are able to set the target levels of different "affordable" tenures having regard to local evidence of housing need.

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?

The proposed definition of starter homes immediately excludes those over the age of 40 from participating in the scheme. With the average age of first time buyers continually rising especially in areas of high house prices such as the South East, this will exclude a significant section of the population who would benefit from this type of accommodation. The definition also excludes those who may be vulnerable and unable to afford home ownership. Home ownership is not suitable for all sections of society. Inclusion of low cost ownership properties could be detrimental to low income households who may find themselves with limited sustainable housing options.

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?

There are a number of small railway stations within Wokingham Borough (Wokingham, Twyford, Crowthorne, Winnersh, Winnersh Triangle, Earley). The commuter hubs definition should take into account the amount of user patronage, not just the existing or future service frequency, and should reflect the scale of the railway stations. Local authorities are best placed to examine these factors with rail operators and infrastructure providers in applying the definition locally.

A 15 minute service is a very frequent service which may be achievable on mainlines, but may not be achievable on distributor lines. Therefore the term "commuter hubs" should only really refer to those stations considered to be major hubs. There is no way of knowing if future expected frequencies will actually be delivered. Level of frequency outside of peak commuting times should also be defined as people may resort to private transport for non-work related journeys

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

If government does introduce this policy approach, then it must be clear that not only housing is required around these commuter hubs. Other services and facilities to compliment housing should also be provided. This will help avoid creating commuter estates. The Council is keen to ensure that new developments create new communities and mixed land uses are necessary to help deliver this.

The Council supports the comment in the consultation document (paragraph) 17 that setting minimum densities would be unnecessarily prescriptive (See Qu 5 response below).

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?

The Council agrees that Government should not introduce a minimum level of residential densities in national policy for areas around commuter hubs. Density ranges need to be decided locally to allow taking into account local character, impact on existing transport infrastructure (e.g. roads, schools etc.), and need for future infrastructure delivery/improvements.

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?

The Council has taken a very proactive role in concentrating the development delivery to meet its housing need within 4 major development locations (Strategic Development Locations (SDLs)). Over 9000 homes have been granted planning permission during the current plan period within the context of the current NPPF policies. The Council considers that new settlements are the only way that it can meet its housing need in a way that ensures that new development is of a high quality and served by appropriate infrastructure. As such, it can be argued that the current policies in the NPPF are suitable to support the delivery of new settlements.

The Council is unclear from the current consultation how the national policy can provide greater support to new settlements over and above that provided currently and requests clarification of this.

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?

The current NPPF states that local planning authorities should encourage the effective use of brownfield sites and the Council has implemented this approach through its local planning policy and planning decisions.

The Council considers that there should not be a blanket presumption in favour of brownfield land. The specific circumstances of each site should be assessed at the local plan stage and appropriate brownfield sites should be allocated for development through this process as part of a comprehensive borough wide plan to meet the Council's housing and other needs. The local plan site allocation process is the most appropriate mechanism to enable the Council to assess those sites most suitable for housing development that are in line with national planning policy. This process allows the Council to consider the most suitable brownfield housing sites taking into account their sustainability and access to infrastructure. It also enables the number of units that could be accommodated to be set out in the context of site constraints and other site specific planning criteria.

A local plan led approach to delivering housing on brownfield sites would allow Councils to balance the need for housing with the need for other uses. The Council is concerned about the impact of strengthening the support for development of brownfield sites for housing on other employment, leisure, retail and community uses within the borough. It considers that the proposal is too narrow in its focus on housing and undermines objective of creating vibrant economies and communities. On this basis, this proposal undermines the balance advocated within the NPPF between, social, economic and environmental issues to achieve sustainable development.

The Council also considers that the Government need to be clearer as to whether they are referring to all brownfield land to be contained in the Brownfield land register they are proposing to require LPA's to keep, or just brownfield small sites.

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?

Small sites within existing settlements are often those sites that provide the greatest challenge in achieving economically viable, high quality development. They are also those sites that are often highly controversial by their nature of being located within close proximity to existing development. The Council is concerned that any strengthening to policy in favour of the development of small scale brownfield sites could undermine the objective of achieving high quality schemes that do not have a detrimental impact on the character and amenity of the area and existing landuses. Proposals for small sites should be considered on a site by site basis to allow the

constraints of the site to be considered and to ensure that the development is sustainable and protects the character of the area.

The Council supports that developments adjacent (outside) of settlement boundaries should be considered carefully and supports that development needs should be met through planned new major settlements.

The land supply in Wokingham Borough is based on a mix of small through to larger sites (including both greenfield / brownfield) as this has had the benefit of proving the necessary infrastructure at the right time to ensure that such developments are sustainable.

The Council (like other local authorities) includes allocations and permissions (both on greenfield, brownfield, of different sizes, etc. within its five-year supply calculations, having made an assessment of deliverability / developability. The Council does not consider that the change would impact on the calculation of the LPA's 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?

This would seem to match the definition of major and minor applications, however government will need to clarify whether this includes changes of use, conversions etc.

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. All applications should be determined in accordance with the development plan taking into account the impact of the proposals on the local area. Policies contained in development plans already provide a framework for assessing small scale windfall applications. In the case of Wokingham Borough Council this is the Core Strategy, Managing Development Delivery document, Borough Design Guide (and other SPDs) and forthcoming Local Plan expected to be adopted in 2018. The Council supports this approach.

Smaller sites, particularly where these are consecutive and cumulative, can have an impact on services / facilities, which may not be able to be adequately mitigated.

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 baseline should be set out in the Local Plan. The housing target in any new Local Plan, such as the Local Plan Update that the Council are currently producing, will be informed by the Objectively Assessed Need that has been established through the Strategic Housing Market Assessment (SHMA). The Council considers that this is the correct approach

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

This should be considered as part of the Local Plan process. The Council (in its Strategic Housing Land Availability Assessments) has analysed annual changes in house prices since 1996, comparing local, regional and national figures, in order to assess local housing market signals. There have been numerous peaks and troughs over that period but each area may vary in terms of what constitutes a normal housing market.

The Council's approach towards delivery of housing on strategic sites has been highly successful with over 9000 homes having been granted planning permission in these locations. However, given the scale of the sites and the objective of achieving high quality infrastructure rich development, there are a large number of complex issues to be addressed. These issues and the Council's inclusive approach to involve the local communities takes time and the Council considers that this must be factored into the delivery timescale. Proactive Councils who are planning and delivering new development should not be penalised while they undergo the process of working with the development industry and the community to deliver strategic sites if it can be demonstrated that the development is truly deliverable.

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

Under delivery can be due to a number of factors. Wokingham BC have allocated sufficient sites and granted planning permission for over 9000 houses within the current plan period to seek to ensure that there is always a rolling 5 year housing supply. However, it is then entirely up to the developer when to bring forward these homes, which could mean that developers deliberately do not bring forward sites, therefore undermining the plan-led approach that the Government rightly continues to advocate. The Council therefore welcomes the call from the Local Government Association (LGA) to give Councils additional powers to charge developers Council Tax on units that have planning permission if they are not built out. Also, for any other proactive measures to ensure that the development industry does not 'land bank' and delivers the homes that the planning system has been facilitating.

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

Even if housing policies in a Local Plan are not up to date, evidence is usually available in Council's monitoring reports and / or Strategic Housing Land Availability Assessments that could be used as the benchmark. The Council is already in the processing of updating the Local Plan

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

Where there is sustained under delivery, there is likely to be significant increase in the number of appeals which will draw on resources (from the Local Authority and others, including PINS) required to bring forward rapid and targeted reviews of local plans.

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?

The Council through the existing NPPF process and our Local Plan process already undertook a review of employment land. The Council and the wider business community, including the Thames Valley Local Enterprise Partnership (LEP) already recognises that there is a need to balance jobs and homes as part of sustainable communities. The Thames Valley LEP, which contributes over £34bn in Gross Value Added (GVA) to the economy is currently leading the work (in conjunction with the six Berkshire LPAs) on understanding what the economic development need is (following on from work about establishing what is the Functional Economic Area). This will include an assessment of what is needed (for example, in terms of jobs and floorspace) to ensure that the wider area can continue to contribute to TVB and the wider UK economy. This evidence will therefore inform any future Local Plan as well as other strategies to ensure that there is the correct balance between housing and jobs.

There should not be a fixed time limit on land retention for commercial use but this should be carefully considered as part of a local process.

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?

Clarification is sought about what is meant by 'underused'.

The Council supports policies for the delivery of starter homes but feels that successful development must allow for all needs of the community to be met. Therefore, delivery of starter homes should not undermine the development and retention of other types of development that serves the needs of business and the community.

This approach could lead to the loss of a good mix of uses in areas which would undermine the economic and social viability and vitality of the locality. A robust test would need to be applied to ensure that the previous use is no longer required or in demand in the area. If this cannot be demonstrated and sites are developed for starter homes, it is likely that local authorities would need to make additional allocations for re-provision of the uses lost. This is why the Council considers that policy should be established locally having regards for needs evidence (for business uses and Starter Homes). This will allow development needs of the area to be balanced. This local plan led approach to delivery of housing of any tenure should be adopted in line with the response to Qu. 7 above.

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

Where applications for Starter Homes come forward on such exception sites, they 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. Development coming forward must be appropriate for the locality, taking into account, sustainability, infrastructure, proximity to settlement etc.

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

The Council supports that starter homes are a component of mixed use schemes but that development also meets other housing need and the commercial, economic and social needs of the community. The housing mix would be worked through the Council's Plans and strategies as appropriate. The Council considers that this could be appropriate in addition to the Council being able to set the target levels of different "affordable" tenures having regard to local evidence of housing need. As per the response to Qu1, the Council considers that starter homes can meet the needs of young people but there is a concern that developers will be able to fulfil their affordable housing obligations by only providing starter homes on some sites without providing any other affordable housing tenures.

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?

Rural exceptions sites for starter homes could be successfully used to deliver starter homes in rural areas, providing a number of key criteria are met. The Council would only support this if the starter homes are retained as affordable housing in perpetuity thus, not just subject to the minimum 5 year timescale on resale on the open market. Furthermore, the tests that currently apply to rural exceptions sites (i.e. local connection, evidence of local need) must still apply. However, the local connection test could be relaxed for key worker accommodation. Without these tests, the Council is concerned that this policy could open the floodgates to a number of inappropriate developments in rural areas.

As starter homes will be CIL exempt, the Council is concerned about the impact of this development on local infrastructure that is likely to be already stretched given the rural locality.

If government decides to implement this change then a local connections test is required as is the case currently with rural exception sites.

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

Starter homes to be provided as part of a wider affordable housing. These should be subject to the sites being the best alternatives available, local connection test and community support. Further, that they should be affordable in perpetuity for young people and this should be means tested approach.

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

Local community small scale starter home developments in the Green Belt could be acceptable if allocated through neighbourhood plans providing a number of key criteria are met. The Council supports the neighbourhood plan approach and is currently working with Shinfield Parish Council to help it deliver a neighbourhood plan for the area. As with rural exception sites, the Council would only support this if the starter homes are retained as affordable housing in perpetuity thus, not just subject to the minimum 5 year timescale on resale on the open market. Furthermore, the tests that currently apply to rural exceptions sites (i.e. local connection, evidence of local need) must still apply. Without these tests, the Council is concerned that this

policy could open the floodgates to a number of inappropriate developments in Greenbelt.

As starter homes will be CIL exempt, the Council is concerned about the impact of this development on local infrastructure that is likely to be already stretched given the rural locality.

If government decides to implement this change then a local connections test is required as is the case currently with rural exception sites.

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?

Previously developed sites in the Green Belt can be already be redeveloped provided the impact of the development on openness, primarily footprint, scale and mass is not larger than the existing. Development that does not meet this requirement would lead to overdevelopment of some Green Belt sites and will conflict with the purposes of Green Belt. It is considered that the NPPF currently contains the policies that allow the redevelopment of Brownfield sites for starter homes and more flexible approach will by definition result in a greater quantum of development that would compromise the openness of Green Belt areas.

e) Transitional arrangements

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

Given the additional resource implications associated with the proposed policy changes as a whole, 6 to 12 months is not considered an adequate period of time for a transitional period, particularly when considering the length of time it takes to produce a Local Plan. A more appropriate transitional period of 24 months would be more appropriate to allow for the range of evidence base to be completed, internal political endorsement, consultation and examination of partial reviews.

The transitional arrangements should apply to all proposed changes, particularly in relation to bringing forward other sustainable sites where there is under delivery. This will allow authorities where local plan reviews are already underway to sufficiently incorporate the proposed amendments into their emerging plans and avoid increased resource pressures to deal planning appeals.

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 Council do consider that much of the assumptions and data sources are already captured at the local or sub regional level, i.e. across the former County area and that this should be taken into consideration. The Council is doing all it can in order to significantly boost the supply of housing but is concerned that further changes may actually impede the ability of the Council to meet the government's objectives.

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 Council's concerns around equalities issues relate to the Starter Homes policy and are covered in Question 2.

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