

**FORM 1**

**NOTICE OF DELEGATION OF DECISION TO CABINET MEMBER BY STRONG LEADER**

Section 15(4) of the Local Government Act 2000, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1<sup>st</sup> December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

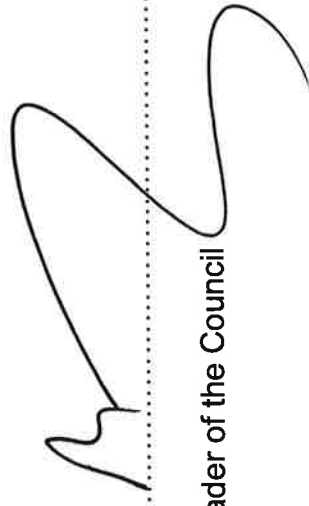
I, Cllr Marcus Hart, as Strong Leader, delegate the decision, response to the consultation on Planning for the Right Homes in the Right Places, to the Cabinet Member detailed below:

Cabinet Member for Planning and Economic Regeneration

Dated:

*7th November, 2017*

Signed:

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.....

Leader of the Council

**NOTICE OF DECISION OF CABINET MEMBER**

Pursuant Section 15(4) of the Local Government Act 2000, as amended by section 63 of the Local Government and Public Involvement in Health Act 2007, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1<sup>st</sup> December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

In accordance with the authority delegated to me by the Leader, I have made the following decision:

Subject	Decision	Reason for decision	Date for Decision to be taken
Planning for the Right Homes in the Right Places Consultation response	To approve the consultation response	The Council has formulated a response to the consultation and it has been reviewed by the Council's Overview and Scrutiny Committee on 2/11/17 and needs to be returned to DCLG by 9 <sup>th</sup> November.	7/11/17

**I confirm that the appropriate statutory officer consultation has taken place with regard to this decision.**

Dated: 7/11/2017

Signed: 

Councillor: I.P. Harrod

Cabinet Member for Planning and Economic Regeneration

**To:** Leader of the Council

**From:** Corporate Director: Economic Prosperity and Place

**Date:** 6<sup>th</sup> November 2017

## **Response to Consultation – Planning For The Right Homes In The Right Places**

### **1. PURPOSE**

To seek approval for delegated authority to be given to the Cabinet Member for Planning and Economic Regeneration to issue the Council's response to the above consultation.

### **2. RECOMMENDATION**

**That the Leader:**

Grants delegated authority to the Cabinet Member for Planning and Economic Regeneration

2.1 to issue the Council's formal response to the consultation as appended.

### **3. BACKGROUND**

3.1 On 14th September 2017 the Department for Communities & Local Government launched its consultation – Planning for the Right Homes in the Right Places – which further develops some of the issues raised in the February 2017 White Paper – Fixing Our Broken Housing Market. Consultation responses are required to be submitted by 9<sup>th</sup> November 2017. Full details of the consultation can be found here:

<https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

3.2 The consultation deals with four principal issues:

- I. A standardised methodology for calculating a local authority's housing need;
- II. A Statement of Common Ground across administrative boundaries;
- III. Making Viability Assessments simpler, quicker and more transparent;
- IV. Increasing planning application fees linked to housing delivery.

3.3 The draft consultation responses were agreed by the Council's Overview and Scrutiny Committee at their meeting on 2<sup>nd</sup> November 2017 with some minor wording changes which have now been incorporated into the final responses.

#### 4. **KEY ISSUES**

- 4.1 The proposed standard methodology for calculating local housing need, which does not take into account anticipated employment growth, will consist of three components.
- I. A demographic baseline based on projections of household growth over a 10 year period.
  - II. The demographic baseline can then be modified to account for house prices using median affordability ratios published by the Office for National Statistics (ONS). The second part of the methodology therefore would include a multiplier for less affordable areas. This means in areas where house prices are more than four times average earning, the multiplier would increase.
  - III. The third component will see the methodology include a cap on the level of any increase. For any local authority which has adopted their local plan in the last five years, the new annual local housing need figure will be capped at 40 per cent above the annual requirement within the local plan.
- 4.2 If the local planning authority does not have an up-to-date local plan (i.e. adopted over five years ago) then the government will cap any local housing need at 40 per cent above whichever is higher of the projected household growth for their area over the plan period or the annual housing requirement set out in their local plan.
- 4.3 The government's expectation is that the proposed method is adopted by local authorities when assessing housing need. Where an alternative method is adopted that results in a lower need than the government methodology this will be tested rigorously through examination of the plan. Where a local authority puts forward proposals that give a local housing need figure higher than that through the proposed approach, Planning Inspectors will be advised to work on an assumption that the approach taken is sound.
- 4.4 Alongside the consultation, government published a 'Housing need data consultation table' which sets out by authority the expected annual housing delivery targets based on the new calculation. For Wyre Forest the figure is 246 units per annum. Members will be aware that the proposed numbers in the Council's recent Preferred Options Local Plan consultation set a target of 300 units per annum as proposed in the supporting Objectively Assessed Housing Need (OAHN). This of course was a figure within a range of 199-332 units per annum and reflected the Council's employment growth ambitions. The figure of 300 remains valid in the context of the government's

new methodology and the ability to propose figures above the standard methodology calculation.

- 4.5 It is proposed that all local planning authorities should produce a statement of common ground setting out cross-boundary matters, including the housing need for the area, distribution and proposals for meeting any shortfalls and record where agreement has, and has not been reached. This will provide evidence as to how a local planning authority has met the duty to co-operate with a view to enabling examination of local plans to progress more quickly. It is proposed that all local planning authorities (regardless of where they are in the plan-making cycle) should have a statement of common ground in place within twelve months following publication of the revised NPPF and an outline statement in place within six months.
- 4.6 The consultation proposes a number of changes with a view to improving certainty and transparency in the assessment of viability for plan-making and decision-taking, through amendments to policy and guidance. This includes seeking views on how national guidance could be updated to encourage viability assessments to be simpler, quicker and more transparent, for example through a standardised report. The consultation also proposes a requirement that local plans should identify the infrastructure and affordable housing needed, how these will be funded and the contribution developers will be expected to make. In addition it proposes to make clear in the National Planning Policy Framework that where policy requirements have been tested for their viability, that the issue should not usually need to be tested again at the planning application stage.
- 4.7 The consultation confirms that it will bring forward regulations at the earliest opportunity to enable local authorities to increase planning application fees by 20 per cent, to honour the commitment in the Housing White Paper. The consultation also seeks views on additional criteria that local authorities could be required to meet to allow them to increase fees by a further 20 per cent. The housing White Paper suggested that this could be applied to those authorities who are delivering the homes their communities need.
- 4.8 The proposed consultation responses are appended to this report.

**5. FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from the consultation response.

**6. LEGAL AND POLICY IMPLICATIONS**

If the consultation is adopted it will have implications for the Council's Local Plan making processes as it will introduce requirements and guidance regarding the preparation of Local Plans.

**7. CONCLUSION**

The Council has agreed a response to the consultation and it is recommended that this is now forwarded formally to DCLG.

**9. RISK MANAGEMENT**

If the Council does not respond it has no way of aiming to influence the outcome of the consultation..

**10. EQUALITY IMPACT NEEDS ASSESSMENT**

There are no EI matters arising from this consultation response.

**11. CONSULTEES**

Overview & Scrutiny Committee  
Cabinet  
CLT

**13. BACKGROUND PAPERS**

Consultation: <https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

# Consultation response proforma

**If you are responding by email or in writing, please reply using this questionnaire pro-forma, which should be read alongside the consultation document. You are able to expand the comments box should you need more space**

Your Details (Required fields are indicated with an asterix(\*))

<b>Family Name (Surname)*</b>	
First Name*	
Title	
Address	
City/Town*	
Postal Code*	
Telephone Number	
Email Address*	

Are the views expressed on this consultation your own personal views or an official response from an organisation you represent?\* (please tick as appropriate)

- Personal View
- Organisational Response

Name of Organisation (if applicable)

Wyre Forest District Council
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If you are responding on behalf of an organisation, please tick the box which best describes your organisation

- Local Authority (including National Parks, Broads Authority, the Greater London Authority and London Boroughs)
- Neighbourhood Planning Body/Parish or Town Council
- Private Sector organisation (including housebuilders, housing associations, businesses, consultants)
- Trade Association / Interest Group/Voluntary or Charitable organisation

Other (Please specify)

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Proposed approach to calculating the local housing need

Question 1 (a)

do you agree with the proposed standard approach to assessing local housing need? If not, what alternative approach or other factors should be considered?

- Yes
- No
- Not sure / don't know

Please enter your comments here

The proposed methodology (para 17) proposes use of average annual growth over a 10 year period and that this should be satisfactory on the basis that plans are expected to be reviewed every five years to plan over the preparation and duration of the plan period. However the Local Plan is expected to plan for a least a fifteen year period duration and it therefore creates uncertainty as to the figure to be used for the last five years of the Plan period.

Whilst acknowledging that a universally applied methodology would have the benefits of reducing uncertainty and help speed up the process of Local Plan adoption, care needs to be taken that this doesn't become a 'top down' central government approach to tackling local housing delivery and thereby eliminating the local authority from reflecting local circumstances into the calculation. The unexpected production of the housing data calculations accompanying this consultation is already having unhelpful consequences of local interpretation of these figures on ongoing appeals.

The 40% cap appears to be an arbitrary figure and does not seem to reflect any local circumstances matters that may be causing difficulty with delivery. It may be impossible for councils to simply 'switch on' such delivery in the short and medium term.

There is concern that the standardised methodology doesn't take enough account of meeting affordable housing needs locally. The ability to deliver new affordable housing as a percentage of new housing developments means that the calculation of quantity to deliver enough affordable housing to meet local needs is in direct proportion to the overall numbers of dwellings delivered and this isn't addressed as part of the methodology.

Question 1(b)

how can information on local housing need be made more transparent?

Please enter your comments here

A requirement for consistent and regular (annual) publication of data by individual councils.



## Question 2

do you agree with the proposal that an assessment of local housing need should be able to be relied upon for a period of two years from the date a plan is submitted?

Yes

No

Not sure / don't know

Please enter your comments here

Fixing the figures at point of submission of the Plan is too late in the process of preparing the Plan to leave until the submission stage, it needs to be sooner. Councils can spend some considerable time progressing through public consultations using one figure only for it to change immediately prior to submission thus undermining the credibility of the Plan once it is under Examination. The point of fixing should be the point at which the Council formally agrees its Pre Submission document.

## Question 3

do you agree that we should amend national planning policy so that a sound plan should identify local housing needs using a clear and justified method?

Yes

No

Not sure / don't know

Please enter your comments here

This is logical in the context of the common approach to methodology.

**Question 4**

do you agree with our approach in circumstances when plan makers deviate from the proposed method, including the level of scrutiny we expect from the Planning Inspectors?

Yes

No

Not sure / don't know

Please enter your comments here

Agreed as long as 'policy off' figures establish the housing need numbers and 'policy on' figures comprise the numbers of houses planned for in the Local Plan.

**Question 5(a)**

do you agree that the Secretary of State should have discretion to defer the period for using the baseline for some local planning authorities? If so, how best could this be achieved, what minimum requirements should be in place before the Secretary of State may exercise this discretion, and for how long should such deferral be permitted?

Yes

No

Not sure / don't know

Please enter your comments here

Councils that are already underway with a review of their Local Plan now must be afforded the ability to request a deferral if they consider it appropriate where otherwise their ability to adopt their Plan in accordance with their Project Plan timeline would be compromised.

**Question 5(b)**

do you consider that authorities that have an adopted joint local plan, or which are covered by an adopted spatial development strategy, should be able to assess their five year land supply and/or be measured for the purposes of the Housing Delivery Test, across the area as a whole?

Yes

No

Not sure / don't know

Please enter your comments here

No further comments

**Question 5 (c)**

do you consider that authorities that are not able to use the new method for calculating local housing need should be able to use an existing or an emerging local plan figure for housing need for the purposes of calculating five year land supply and to be measured for the purposes of the Housing Delivery Test?

Yes

No

Not sure / don't know

Please enter your comments here

No further comments

### Question 6

do you agree with the proposed transitional arrangements for introducing the standard approach for calculating local housing need?

Yes

No

Not sure / don't know

Please enter your comments here

Agreed but there needs to be some dispensation for the Secretary of State to vary the transitional arrangements if a Council can demonstrate exceptional circumstances where the adoption of a Plan would be significantly undermined by the application fo the transitional arrangements.

## Statement of Common Ground

### Question 7(a)

do you agree with the proposed administrative arrangements for preparing the statement of common ground?

Yes

No

Not sure / don't know

Please enter your comments here

The principle of the Statement of Common Ground is understood and agreed, however it must be clear that this does not become reinterpreted as a requirement to agree and resolve all matters where there may be disagreement as this simply may not be feasible; the DTC is not a 'Duty to Agree' and nor should the SCG aim to do this. Further definition needs to be given to the concept of what an 'interest' in an issue actually constitutes in order for that party to be a signatory; having an 'interest in' and 'being interested in' are significantly different and a body being interested in a matter must not allow them to stifle the progress of the Local Plan if they are not satisfied with the SCG.

Provision has to be made for key infrastructure providers (transport and statutory undertakers) to be required to engage in the SCG where their input is essential.

**Question 7(b)**

how do you consider a statement of common ground should be implemented in areas where there is a Mayor with strategic plan-making powers?

Please enter your comments here

No comment as this does not apply to us.

**Question 7(c)**

do you consider there to be a role for directly elected Mayors without strategic plan-making powers, in the production of a statement of common ground?

Yes

No

Not sure / don't know

Please enter your comments here

This does not apply to us

**Question 8**

do you agree that the proposed content and timescales for publication of the statement of common ground are appropriate and will support more effective co-operation on strategic cross-boundary planning matters?

Yes

No

Not sure / don't know

Please enter your comments here

However, care needs to be taken with the expectation that agreement will be in place within 12 months of the Framework publication that agreement will be reached regarding the process for agreeing the distribution of housing g across a HMA as this could prove extremely challenging in some areas.

**Question 9(a)**

do you agree with the proposal to amend the tests of soundness to include that:

i) plans should be prepared based on a strategy informed by agreements over the wider area; and

ii) plans should be based on effective joint working on cross-boundary strategic priorities, which are evidenced in the statement of common ground?

Yes

No

Not sure / don't know

Please enter your comments here

This requirement is considered unnecessary sat alongside the Duty to Cooperate test of soundness as it is unnecessary duplication. If the SCG isn't satisfactory then the DTC test will have been failed.

**Question 9(b)**

do you agree to the proposed transitional arrangements for amending the tests of soundness to ensure effective co-operation?

Yes

No

Not sure / don't know

Please enter your comments here

No further comments

## Planning for a mix of housing needs

### Question 10(a)

do you have any suggestions on how to streamline the process for identifying the housing need for individual groups and what evidence could be used to help plan to meet the needs of particular groups?

Please enter your comments here

The guidance for preparing Strategic Housing Market Assessments (SHMAs), as well as the NPPF, should be amended to make clear the identification of housing needs for different groups. Close working with County Council/Unitaries to get a better understanding of the needs for care and retirement accommodation will be especially important.

### Question 10(b)

do you agree that the current definition of older people within the National Planning Policy Framework is still fit-for-purpose?

Yes

No

Not sure / don't know

Please enter your comments here

No further comments



## Neighbourhood Planning

### Question 11(a)

should a local plan set out the housing need for designated neighbourhood planning areas and parished areas within the area?

Yes

No

Not sure / don't know

Please enter your comments here

This should add clarity to the NP process, focus local communities on how they plan for the realistic delivery of housing for their area and prevent any time consuming disagreements about local housing need and supply. However in order to do this there would need to be a sensible correlation between the boundary of the NP and the Council's geography for calculating its housing numbers. NP boundaries don't necessarily follow Council administrative boundaries and this may cause some difficulty in disaggregating figures.

### Question 11(b)

do you agree with the proposal for a formula-based approach to apportion housing need to neighbourhood plan bodies in circumstances where the local plan cannot be relied on as a basis for calculating housing need?

Yes

No

Not sure / don't know

Please enter your comments here

Any housing need number for an emerging Neighbourhood Plan area or parish should use the proposed “current proportional population” approach set out in paragraph 99 – but add defined additional percentage to the total. This would then be the “starting point” for the parish’s housing need, and would have the twin benefits of boosting delivery of housing in neighbourhood plan areas, whilst adding robustness and buffers to the overall numbers in a district where there may be constraints in some areas preventing the normal minima from being met.

Where there are significant areas of a district which are highly constrained, the proposed approach is even more problematic; it would not be possible for neighbourhood plans in these areas to meet their housing need, based on the ‘apportionment’ approach. This could therefore lead to a shortfall in the provision of homes across the district. The only sensible approach in this case would be for housing numbers to be left entirely to the Local Plan to distribute, with Neighbourhood Plans indicating instead preferred locations of housing growth rather than exact numbers and locations of sites.

In addition there should still be opportunities for Councils to undertake rural housing needs surveys and use these to compliment any housing needs numbers identified by the process identified above. This gives local communities an opportunity to be involved in shaping the housing types and tenure within their parish and recognises the value of more detailed qualitative based surveys.

## Proposed approach to Viability Assessment

### Question 12

do you agree that local plans should identify the infrastructure and affordable housing needed, how these will be funded and the contributions developers will be expected to make?

Yes

No

Not sure / don't know

Please enter your comments here

This isn't really any different to the current situation.

### Question 13

in reviewing guidance on testing plans and policies for viability, what amendments could be made to improve current practice?

Please enter your comments here

No further comments

### Question 14

do you agree that where policy requirements have been tested for their viability, the issue should not usually need to be tested again at the planning application stage?

Yes

No

Not sure / don't know

Please enter your comments here

Although the principle of this is understood it is much more of a complex issue than the question sets out. Clearly if a development at planning application stage is able to deliver everything required that has been set out at the Local Plan stage then no further viability assessment should be necessary; however, experience tells us that it is more often the case that by the time a proposal is manifested in a planning application the developer will claim that it is not viable to deliver the expectations set out in the Local Plan, especially so the later an application is submitted after the Local Plan has been adopted, and in such circumstances viability has to be rigorously tested through the determination of the planning application.

### Question 15

how can Government ensure that infrastructure providers, including housing associations, are engaged throughout the process, including in circumstances where a viability assessment may be required?

Please enter your comments here

From experience the engagement of housing associations isn't the issue here, it is the engagement of the infrastructure providers and if government is serious about their engagement they must make it compulsory.

### Question 16

what factors should we take into account in updating guidance to encourage viability assessments to be simpler, quicker and more transparent, for example through a standardised report or summary format?

Please enter your comments here

This approach is unlikely to help the situation; current experience is that developers on the whole are used to taking an 'open book' approach to viability appraisals in the knowledge that information shared with the council is confidential, as soon as there are moves to make this more transparent it is likely that such an open book cooperation will be lost. It is considered that this suggestion is trying to solve a problem that isn't really that extensive.

### Question 17(a)

do you agree that local planning authorities should set out in plans how they will monitor and report on planning agreements to help ensure that communities can easily understand what infrastructure and affordable housing has been secured and delivered through developer contributions?

Yes

No

Not sure / don't know

Please enter your comments here

No further comments

**Question 17(b)**

what factors should we take into account in preparing guidance on a standard approach to monitoring and reporting planning obligations?

Please enter your comments here

Need to take account of frequency of reporting and level of detail required. It will not assist anyone if this becomes an industry in itself and in particular it will dilute even further the stretched resources within planning departments; so simple, light touch but containing essential information.

**Question 17(c)**

how can local planning authorities and applicants work together to better publicise infrastructure and affordable housing secured through new development once development has commenced, or at other stages of the process?

Please enter your comments here

Press releases, local newspapers, digital bulletins and newsletters, Council and housebuilders websites, signage at development sites, developer roadshow briefings and information packs to all residents are all potential options. In particular, signage at development sites could indicate the total numbers of completions (market and affordable) both in the current (financial) year and overall at the development and would be strongly encouraged (accepting that there can be differences of opinion as to when exactly a “completion” can be said to have occurred).

## Planning fees

### Question 18(a)

do you agree that a further 20 per cent fee increase should be applied to those local planning authorities who are delivering the homes their communities need? What should be the criteria to measure this?

Yes

No

Not sure / don't know

Please enter your comments here

This is very much a qualified "yes". For too many years now the cost of determining planning applications has risen in real terms and not been met by consequent rises in planning application fees. Coupled with increasing de-regulation of the planning system to 'simplify' it without requisite fee income to support the council's role in administering it, this has further deteriorated the ability of councils to adequately fund their planning teams. Government needs to once and for all deal with the matter of delegating fee setting to the local level and not continue to use fee income as a stick to beat councils with. The government is strongly encouraged to reconsider any misconception that controlling councils in this way is somehow going to increase the delivery of new houses; for the greater part of the country the potential to deliver more new homes rests with the development industry, they build houses, not councils, and that is where the government ought to be focussing its attention.

### Question 18(b)

do you think there are more appropriate circumstances when a local planning authority should be able to charge the further 20 per cent? If so, do you have views on how these circumstances could work in practice?

Yes

No

Not sure / don't know

Please enter your comments here

See 18a above, delegate fee setting locally and let councils decide.



**Question 18(c)**

should any additional fee increase be applied nationally once all local planning authorities meet the required criteria, or only to individual authorities who meet them?

- Apply nationally
- Apply to Individual authorities only
- Not sure / don't know

Please enter your comments here

See 18 a above

**Question 18(d)**

are there any other issues we should consider in developing a framework for this additional fee increase?

Please enter your comments here

Councils need more certainty regarding future application fee increases so that they can properly plan their budgets, rather than the uncertain and sporadic approach that has been taken over the last few years.

## Other issues

### Question 19

having regard to the measures we have already identified in the housing White Paper, are there any other actions that could increase build out rates?

- Yes
- No
- Not sure / don't know

Please enter your comments here

Government needs to stop prevaricating and get on with introducing measures that will hold the house builders to account for their delivery and in parallel increasing the powers available to councils to bring forward suitable land for development where the private sector is failing to do that.

Specifically, we seek measures such as

- A power to charge many multiples of council tax where dwellings have not been completed within, say three years of receiving planning permission. This is to ensure that developers build houses quickly once they have had permission (whether outline or full) and do not delay in order to maximise their profit, whether by being slow on discharging with any reserved matters or by failing to commence and complete construction even where full permission is in place;
- Simplified compulsory purchase powers where a developer has failed to complete construction within, say, three years of receiving permission or has failed to apply for permission within a reasonable period even though a site is allocated for housing. This could include such things as removing any right of appeal against compulsory purchase other than about the market value. If it was desired to provide a stronger incentive, legislation could provide that the compensation would be only for the land's value as if it had no allocation/permission for housing.

Your opinion is valuable to us. Thank you for taking the time to read the consultation and respond.