



PART A: MATTERS DEALT WITH UNDER DELEGATED POWERS

REPORT TO: PLANNING COMMITTEE

DATE: 19 JANUARY 2016

**REPORT OF THE: HEAD OF PLANNING AND HOUSING
GARY HOUSDEN**

**TITLE OF REPORT: CONSULTATION ON PROPOSED CHANGES TO
NATIONAL PLANNING POLICY**

WARDS AFFECTED: ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 The Government is consulting on proposed changes to the National Planning Policy Framework (NPPF). This report is to confirm this Council's response to the proposed changes.

2.0 RECOMMENDATION(S)

2.1 It is recommended that:
(i) Members agree this Council's response to the consultation as outlined in the proposed RDC response sections of the report.

3.0 REASON FOR RECOMMENDATION

3.1 The NPPF is a significant material consideration in the planning process and it is appropriate that as a Local Planning Authority, this Council provides a response to the consultation.

4.0 SIGNIFICANT RISKS

4.1 There are no significant risks associated with the recommendation of this report.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 The proposed changes to national planning policy are designed to further the Government's ambitions to increase house building and home ownership. The proposed changes would bring the NPPF into line with provisions of the Housing and Planning Bill and a ministerial statement of March 2015 which introduced new policy on starter homes.

5.2 The consultation period runs from 7 December 2015-25 January 2016. The consultation document is supported by an Equalities Statement. The Government has compiled 23 questions to assist the preparation of responses to the consultation. Where appropriate, the proposed RDC response sections of this report include responses to issues covered by the specific questions.

6.0 REPORT DETAILS

6.1 The Government is proposing changes to the NPPF which cover the following:

- Broadening the definition of affordable housing, to expand the range of low cost housing opportunities for those aspiring to own their own home
- Increasing the density of development around commuter hubs, to make more efficient use of land in sustainable locations;
- supporting sustainable new settlements, development on Brownfield Land and small sites and, delivery of housing allocated in plans; and
- supporting the delivery of Starter Homes

Affordable Housing

6.2 At present, affordable housing is defined in the NPPF as Social rented; Affordable rented and Intermediate housing products (such as shared ownership). The proposal is to amend the definition of affordable housing to include further products that can support people into home ownership, for example, discount market sales, rent to buy housing and starter homes.

6.3 The proposed policy approach will make it clear that Authorities will have to plan to meet the needs of those who aspire to home ownership as part of their approach to securing developer contributions for affordable housing. There will be a requirement that a proportion of the contribution are Starter Homes. The consultation makes it clear that the proportion of starter homes to be delivered on sites will be the subject of a future consultation.(NB: The Housing and Planning Bill defines starter homes as new dwellings for first time buyers under the age of 40. They are to be sold at a discount of at least 20% open market value and less than the price cap of £250K (£450K in London)

6.4 The consultation indicates that some of these market products which would fall within the wider definition of affordable housing are unlikely to be subject to 'in perpetuity' restrictions or to have recycled subsidy on re-sale.

Proposed RDC response

6.5 The District Council is supportive in principle of measures to extend home ownership and recognises that this could be achieved as part of the developer contributions that are negotiated from development sites to ensure that a range of housing products are provided. The Government should be aware that this will however, be at the expense of housing products which are genuinely affordable to local people in Ryedale. The Council would be particularly concerned if the approach undermined the ability to deliver homes which are currently defined as affordable housing, to any significant extent. Changes to the definition of affordable housing in national policy should be accompanied with a sufficiently robust statement making it clear that a range of affordable tenures will be secured, to avoid developers seeking to provide lower cost

market products. In an area such as Ryedale, in the context of high house prices and relatively low wages, it is imperative that a range of affordable products are secured to address a range of needs.

- 6.6 This Council's current affordable housing policy is based on viability assessment undertaken for existing affordable products. Changes to the definition of affordable housing may provide the Council with the opportunity to revise its affordable housing policy so as to increase its affordable housing target.

Increasing Residential Density around commuter hubs

- 6.7 The proposed change will introduce a requirement for higher density development around commuter hubs. These will be defined as:
- a public transport interchange where people can board or alight to continue their journey by other public transport, walking or cycling; and
 - a place that has, or could have in the future, a frequent (15minute) service to that stop

It is confirmed that density standards will not be prescribed as part of the changes.

Proposed RDC Response

- 6.8 The District Council is, in principle, supportive of the proposed change to national policy to require higher density development around commuter hubs where this is feasible. Ryedale does not have specific or prescriptive density policies. Density is established on a site by site basis to ensure development is sensitive to the local context. In this respect, the Authority is supportive of the fact that the proposed change to the NPPF will not introduce a minimum density standard for development around commuter hubs. However, to ensure that local character and context are given appropriate consideration, it is considered that if introduced the policy is applied 'where feasible *and appropriate in terms of local character and context.*'

Supporting New Settlements

- 6.9 The Government proposes to strengthen national policy to provide a more supportive approach for new settlements within locally- led plans. The consultation appears to cover this as a matter of principle and provides no detail of how this might be articulated in the revised NPPF.

Proposed RDC Response

- 6.10 New settlements are a relevant growth option for many Local Planning Authorities. National policy already supports new settlements as a matter of principle and in this respect it is difficult to know how national policy could be strengthened further. The consultation material provides no further detail on this matter and as such it is difficult to provide any meaningful response to the consultation.
- 6.11 The Authority takes the view that the delivery of new settlements/ major urban expansions is particularly challenging in terms of infrastructure delivery. The growing number of types of development which are exempt from CIL for example will not assist in this respect. It is considered that any strengthening of national policy to support the delivery new settlements should focus on practical and tangible

mechanisms to support their delivery as opposed to reiterating what is in effect existing support in principle for new settlements in national policy.

Supporting Development on Brownfield Land

- 6.12 The proposal is to make it clearer in national policy that substantial weight should be given to the benefits of using Brownfield land for housing - in effect, introducing a presumption in favour of the release of such land for housing. This reflects provisions in the Housing and Planning Bill which will require Local Planning Authorities to publish and maintain registers of Brownfield land suitable for housing.

Proposed RDC Response

- 6.13 The District Council supports the redevelopment of Brownfield Land for residential purposes although as a predominantly rural area, Ryedale has few Brownfield Sites. National policy already provides support in principle for the reuse of such sites although the Council recognises that the introduction of a presumption in favour of the reuse of such land would strengthen the current national policy position.
- 6.14 The consultation material refers to 'Brownfield land' although the NPPF defines such land as Previously Developed Land (PDL). It is assumed that for the purposes of the consultation that these terms are used interchangeably. The consultation does not indicate that it is the Government's intention to amend the current definition of PDL in the NPPF. This Council would be concerned if the definition of PDL was to be amended particularly in relation to agricultural land/buildings.

Supporting development on small sites

- 6.15 The Government sees particular benefits in the development of small sites (10 dwelling or less) for housing and proposes changes to national policy to ensure that the development of such sites is strongly supported by national policy. The consultation indicates that in this respect revisions to the NPPF will include:
- strong support/presumption in favour of the development of small sites within settlement boundaries
 - protection against 'unwanted' development in back gardens
 - support for development on small sites immediately adjacent to settlement boundaries if they are sustainable
- 6.16 The consultation seeks views on how support for small sites could impact on the calculation of a local planning authorities five year land supply.
- 6.17 The consultation material implies that this proposed positive approach to small sites is likely to take the form of a presumption in favour of the development of such sites. The proposed approach is likely to have implications for the continued application of Ryedale's local planning policies. Although the Ryedale Plan supports the development of small sites within Development Limits in principle, this is restricted to infill or redevelopment sites and, as members are aware, involves the use of a Local Needs Occupancy Condition in some locations. The local policy approach was designed to manage the volume of new housing arising in Ryedale's smaller villages and to ensure that the limited and finite supply of new sites is available to those who need to live locally.
- 6.18 The starting point for the proposed changes to national policy is that small sites

represent a potentially significant source of new housing land and with this in mind the changes to national policy are very likely to have implications for the application of current local policy. In effect, the use of conditions restricting the development of such sites or the application of a strict definition of infill development is unlikely to be consistent with a national presumption in favour of the development of small sites. Clearly this would need to be the subject of a further report to members in the event that national policy is changed in this respect.

Proposed RDC Response

- 6.19 Local policy in Ryedale already supports in principle the development of small sites in all of the District's Towns and Villages although the proposed changes are likely to have implications for the use of occupancy conditions that the Local Planning Authority applies to the development of small sites in some locations. The proposed approach will contribute to the supply of housing although within Ryedale this will result in a significant amount of new housing arising in less sustainable and accessible locations.
- 6.20 The definition of a small site as being one of less than 10 units is appropriate and is consistent with the long term approach of this Authority.
- 6.21 The District Council is particularly concerned about the proposal to provide policy support for the development of small sites immediately adjacent to settlement boundaries. It is not clear on what basis such sites or settlements will be considered sustainable. Moreover, such a policy approach would affect land values and the Authority is particularly concerned that this would totally undermine the ability to bring forward exception sites for affordable housing in rural areas.

Supporting the delivery of housing agreed in Local Plans

- 6.22 The Government are proposing a 'housing delivery test' - aimed at comparing the number of new homes LPA's set out to deliver against the net additions in housing supply in an LPA area.
- 6.23 They propose to amend national policy to make it clear that where significant under delivery is identified over a sustained period, action needs to be taken to address this. Views are sought on how this may be best achieved. The consultation suggests that Authorities may be required to identify additional sustainable sites which could be brought forward if necessary or to undertake rapid and targeted policy reviews of plans to deal with under-delivery.

Proposed RDC Response

- 6.24 The suggested change to national policy provides what, in effect appears to be a plan-led approach to avoid long-term under delivery. In principle this is welcomed as the approach has the potential to reduce the amount of unallocated land released under the presumption in favour of sustainable development on (5 year) land supply grounds. Given that the proposed changes appear to relate to the supply side of the delivery equation and that the calculation of a five year supply of land is based upon delivery within a five year period, it would be helpful if the any changes to the NPPF clarify how the changes are designed to operate alongside the presumption.

- 6.25 The proposed change appears to suggest a position where additional land is identified in the event that an existing policy approach (presumably in a development plan) is leading to under-delivery. (as min - mid point in the life of a plan) Within this context it would be important that under-delivery is considered within the context of a housing trajectory which could demonstrate that past under-delivery will be made up for within a period of time.
- 6.26 An alternative approach would be to require that the NPPF supply 'buffer' is formalised or mainstreamed into land allocations. In this way flexibility and 'additional supply' is built into the development plan from the outset. The Ryedale Plan is committed to the allocation of land to meet planned housing provision together with the allocation of an additional supply of 20%. The plan does not include a windfall assumption in 'to plan for' figures and the Council is confident that this approach will ensure the delivery of planned rates of housing as a minimum but within sustainability 'tolerances' identified by the plan.
- 6.27 The Council would welcome any changes to the NPPF designed to assist the delivery of consented schemes. This Authority has released land to improve its 5 year supply position, often in the face of vociferous arguments by developers.

Supporting the delivery of Starter Homes

- 6.28 A ministerial statement released in 2015 introduced an 'exception site' policy which allows applicants to bring forward starter home schemes on unviable or underused commercial or industrial brownfield land not currently identified in the local plan for housing.
- 6.29 To ensure land is released under this 'exception' policy the Government is proposing to amend paragraph 22 of the NPPF to extend this to allocated employment sites in order to make it clear that land should be released for this purpose unless there is compelling evidence to justify why such land should be retained for employment use. (NB paragraph 22 relates to the reuse of employment land/avoidance of the long term protection of allocated employment sites). The consultation also makes it clear that the policy will also apply to unviable or underused commercial sites.

Proposed RDC Response

- 6.30 The Council is broadly supportive of the approach in principle, particularly if it assists in the redevelopment of unviable brownfield sites. However, in this area new employment sites, including allocated sites can take a considerable period of time to come forward and it is important that the confidence of those seeking to invest in the District or expand existing business is not eroded by the loss of suitable allocated but as yet undeveloped employment land.

7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial
No direct implications
 - b) Legal
No direct implications

- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)

Any changes to the National Planning Policy Framework will be material considerations in the planning process. Any changes to the NPPF may trigger a review of the Development Plan and should this prove to be necessary, this will be the subject of a further report to this Committee.

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Background Papers:

DCLG Consultation on proposed changes to national planning policy. December 2015

Ministerial Statement: Changes to planning policy announced following responses to the consultation on proposals to enable more starter homes for first time buyers. Brandon Lewis MP.

Background Papers are available for inspection at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/482889/ConsultationNPPF_fin.pdf

<https://www.gov.uk/government/speeches/starter-homes>