

# Public Document Pack



<b>ANNUAL COUNCIL</b>	
<b>DATE:</b>	<b>TUESDAY, 22 SEPTEMBER 2020 5.30 PM</b>
<b>VENUE:</b>	<b>VIRTUAL MEETING</b>

For consideration at the meeting on Tuesday, 22 SEPTEMBER 2020, the following additional or updated papers that were unavailable when the Agenda was printed.

## REVISED AGENDA

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18 <b>BC/20/7 CHANGES TO THE CURRENT PLANNING SYSTEM CONSULTATION</b>	3 - 20
Cabinet Member for Planning	

### Webcasting/ Live Streaming

The Webcast of the meeting will be available to view on the Councils Youtube page:  
[https://www.youtube.com/channel/UCSWf\\_0D13zmegAf5Qv\\_aZSg](https://www.youtube.com/channel/UCSWf_0D13zmegAf5Qv_aZSg)

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# Agenda Item 18

## BABERGH DISTRICT COUNCIL

<b>TO:</b> Council	<b>REPORT NUMBER:</b> <b>BC/20/7</b>
<b>FROM:</b> Councillor Arthey - Cabinet Member for Planning	<b>DATE OF MEETING:</b> 22 September 2020
<b>OFFICER:</b> Tom Barker – Assistant Director – Sustainable Communities	<b>KEY DECISION REF NO.</b> N/A

### CHANGES TO THE CURRENT PLANNING SYSTEM CONSULTATION

#### 1. PURPOSE OF REPORT

- 1.1 To respond to a Government consultation on changes to planning policy and regulations entitled '*Changes to the current planning system*', published in August 2020. This eight-week consultation closes on Thursday 1<sup>st</sup> October 2020.
- 1.2 This consultation is in addition to the consultation on the '*White Paper: Planning for the Future*', which closes on Thursday 29<sup>th</sup> October 2020. The '*Planning for the Future*' consultation sets out plans to undertake fundamental reform of the planning system and explains this would be accompanied by shorter-term measures, which is the subject of the '*Changes to the current planning system*' consultation.
- 1.3 The consultation is seeking views on four main proposals:
  - changes to the standard method for assessing local housing need;
  - securing of First Homes, sold at a discount to market price for first time buyers, through developer contributions;
  - temporarily lifting the small sites threshold below which developers do not need to contribute to affordable housing, to up to 40 or 50 units; and
  - extending the current Permission in Principle to major development.

#### 2. OPTIONS CONSIDERED

- 2.1 To respond to the consultation with the responses as set out in appendix b.
- 2.2 To respond to the consultation with proposed amendments to the responses set out in appendix b.
- 2.3 To not respond to the consultation.

#### 3. RECOMMENDATIONS

- 3.1 To respond to the '*Changes to the Planning System*' consultation.

3.2	That the Assistant Director for Sustainable Communities in collaboration with the Cabinet Members for Planning consider any proposed amendments to the suggested response and be authorised to make amendments before submitting a response to the Government.
<b>REASON FOR DECISION</b>	
To respond effectively to the ' <i>Changes to the Planning System</i> ' consultation by 1 <sup>st</sup> October 2020.	

#### 4. KEY INFORMATION

##### Introduction

- 4.1 The Government's '*Changes to the Planning System*' consultation contains four main proposals as outlined in paragraph 1.3 of this report. There are 35 consultation questions.

##### The standard method for assessing local housing need

- 4.2 The standard method was first implemented in 2018 through the revised National Planning Policy Framework (NPPF). This consultation proposes a revised standard method for calculating local housing need which will be used as the basis for plans created prior to any changes outlined in *Planning for the Future* being introduced. However, transitional arrangements are proposed for those local planning authorities who have a local plan at an advanced stage when any revised standard method is introduced through revised guidance as an update to the Planning Practice Guidance.
- 4.3 The Government has aspirations to create a housing market capable of delivering 300,000 homes a year, and that the standard method needs to be sufficient to ensure this can be met. However, in order to meet this aspiration, many local authorities would see their local housing need figure substantially increase including in both Babergh and Mid Suffolk Districts. This is as a result of the proposed revised standard method and the proposed removal of a cap that currently limits the increase an individual local authority could face.
- 4.4 The current standard method sets the baseline using a 10-year average of the 2014-based national household growth projections and adjusts the outcome from the baseline using the most recent workplace-based median house price to median earnings ratio as an affordability ratio for the area.
- 4.5 In the proposed standard method, a new element into the baseline is introduced, which is 0.5% of existing housing stock levels. However, it is proposed to use whichever is higher, this housing stock figure or a 10-year average of the latest household growth projections. In the case of both Babergh and Mid Suffolk District Councils, the latter is higher.
- 4.6 To calculate the adjustment factor for affordability, it is proposed to also incorporate how affordability has changed over the previous ten years of published data and multiple this by 0.25. This amendment coupled with the removal of a cap results in a substantial increase in the local housing need.

### Delivering First Homes

- 4.7 First Homes are proposed by the Government as homes for first-time buyers with at least a 30% discount against market value.
- 4.8 There is an intention to set out in national policy a requirement that a minimum of 25 per cent of all affordable housing units secured through developer contributions should be First Homes. Initially this would be secured through section 106 planning obligations. However, under the proposed planning reforms, this would subsequently be secured through the Infrastructure Levy.
- 4.9 There is a concern that a specific requirement for First Homes would have an impact on the supply of more traditional affordable home tenures including shared ownership, affordable rent and social rent. The current requirement set out in the National Planning Policy Framework for 10% of the overall housing delivery on a site to be for affordable home ownership products has not jeopardised the delivery of rented homes. However, if this percentage was increased it would erode the amount of rented affordable properties that could be delivered in the Districts.
- 4.10 Again, there are transitional arrangements proposed where local plans and neighbourhood plans submitted for Examination within six months of the new policy being enacted, would not need to reflect the First Homes policy requirements.
- 4.11 The level of discount likely to be required in order for these products to be affordable would be 50% discount against market value.

### Small sites planning policy

- 4.12 To support small and medium-sized developers the consultation is proposing to raise the small sites threshold for affordable housing contributions to up to either 40 or 50 new homes, for an initial period of 18 months. There is also the proposal to scale up the site size threshold at the same proportion as the increase in the number of homes threshold, that is from 0.5 hectares to either 2 hectares or 2.5 hectares.
- 4.13 Smaller sites delivering between 10 to 50 dwellings are an important proportion of the housing land supply for the Districts. Raising the threshold would have a significant impact on the delivery of affordable housing. It would also impact on those wishing to access the housing ladder by purchasing low cost homes such as shared ownership. Furthermore, it would result in a less-balanced housing mix in communities.
- 4.14 There are other ways and the principal opportunities to support small and medium-sized developers lie outside the planning system and within the financing arrangements which underpin many private developments.
- 4.15 If this approach is followed, it could be introduced through a Ministerial Statement in the Autumn.

### Extension of the Permission in Principle consent regime

- 4.16 Permission in Principle was introduced in 2017 as a faster way to secure planning permission for housing development, through suitable sites being identified on

registers of brownfield land. Permission in Principle by application was introduced in 2018 for minor development (e.g. sites of less than 10 dwellings).

4.17 The Permission in Principle consent route has two stages:

- 1) Establishing whether a site is suitable in principle for development. The grant of Permission in Principle is for five years and no planning conditions can be attached to it.
- 2) Technical Details Consent is when the detailed development proposals are assessed, and conditions can be attached.

Granting Permission in Principle and Technical Details Consent equates to full planning permission.

4.18 The proposal is to remove the restriction in the current Permission in Principle Regulations on major development, which is opposed. Permission in Principle by application can include non-residential uses, however housing must occupy the majority of the site and the non-residential uses must be compatible with housing. Currently commercial development is limited to 1,000 square metres with a maximum size capped at one hectare. The proposal is to not set a limit for commercial development space, which again is opposed.

4.19 It is proposed to amend the publicity requirements for Permission in Principle by application on large sites, so they are subject to publicity beyond a site notice and website publication. However, it is felt that the Government should introduce a single national standard through specific regulation and associated guidance to require prior notice of the intention to apply for a Permission in Principle to be undertaken in a prescribed format in advance for a fixed period.

4.20 It is also proposed to lower fees for Permission in Principle by application.

4.21 The Councils currently have a Brownfield Land Register, albeit Part 1. It is proposed to automatically record all Permission in Principle consents that are on brownfield land in Part 2 of the Brownfield Land Register.

4.22 It is felt that the Permission in Principle consent regime will not be well used given the very limited number of Permission in Principle applications current received by the Councils.

## **5. LINKS TO CORPORATE PLAN**

5.1 The Corporate Plan identifies strategic priorities, which include the environment, economy, housing, wellbeing, our customers and our communities.

5.2 This Government consultation affects these strategic priorities through its proposals.

## **6. FINANCIAL IMPLICATIONS**

6.1 There are no financial implications to responding to the consultation.

## 7. LEGAL IMPLICATIONS

7.1 There is no legal requirement to respond to this consultation.

## 8. RISK MANAGEMENT

8.1 This report is most closely linked with the Council's Corporate / Significant Business Risk:

- No. 1 – We may not have a sufficient, appropriate supply of land available in the right locations.
- No. 2 – We may be unable to meet the Government's Housing Delivery Test.
- No. 7 – We may not be able to help communities become more sustainable.

Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Not submitting a response to the consultation would mean the Council lose the opportunity to help shape the proposed changes to the Planning system.	Unlikely (2)	Noticeable (2), would not be consistent with other local authorities.	Engagement with Councillors through a cross Council, cross party roundtable discussion.

## 9. CONSULTATIONS

9.1 A cross-party meeting was held with Councillors from both Babergh and Mid Suffolk District Councils to discuss the consultation and proposed responses.

## 10. EQUALITY ANALYSIS

10.1 An Equality Impact Assessment (EIA) not required as this is a response to a Government consultation.

10.2 However, question 35 does ask if there are any direct or indirect impacts on people who share characteristics protected under the Public Sector Equality Duty. The proposed response considers there are direct and indirect adverse impacts upon our communities because of their rurality which could impact upon people with protected characteristics.

## 11. ENVIRONMENTAL IMPLICATIONS

11.1 Through responding to the consultation, the impact on the environment might be mitigated if the proposals contained within the consultation are amended in line with the joint response from Babergh and Mid Suffolk District Councils.

## 12. APPENDICES

Title	Location
(a) <i>Changes to the current planning system</i> , Ministry of Housing, Communities & Local Government (August 2020)	<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907215/200805_Changes_to_the_current_planning_system_FINAL_version.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907215/200805_Changes_to_the_current_planning_system_FINAL_version.pdf</a>
(b) Proposed responses to the consultation questions.	Attached

## 13. BACKGROUND DOCUMENTS

- 13.1 *White Paper: Planning for the Future*, Ministry of Housing, Communities and Local Government (August 2020)

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/907956/Planning\\_for\\_the\\_Future\\_web\\_accessible\\_version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907956/Planning_for_the_Future_web_accessible_version.pdf)

- 13.2 *First Homes: Summary of responses to the consultation and the Government's response*, Ministry of Housing, Communities and Local Government (August 2020)

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/907214/200728\\_PUBLICATION\\_Govt\\_response\\_FH\\_condoc\\_v4.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907214/200728_PUBLICATION_Govt_response_FH_condoc_v4.pdf)

- 13.3 *Independent Review of Build Out*, Rt Hon Sir Oliver Letwin MP (October 2018)

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/752124/Letwin\\_review\\_web\\_version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/752124/Letwin_review_web_version.pdf)

## 14. REPORT AUTHORS

Robert Hobbs, Corporate Manager – Strategic Planning

Philip Isbell, Chief Planning Officer

Louise Barker, Acting Strategic Housing Team Manager

Christine Thurlow, Professional Lead – Key Sites and Infrastructure

Q	Draft response
1	<p>Yes. Support this proposal to ensure a robust baseline can be established, subject to the answers to questions 2 to 5.</p> <p>The latest household projections averaged over a 10-year period provided an appropriate measure for calculating housing need using the current approach in a number of local authority areas including Babergh and Mid Suffolk Districts. Support using this measure.</p> <p>Whilst using 0.5% of housing stock may be appropriate in some areas where household projections are low, for Babergh and Mid Suffolk Districts these figures are lower than the household projections and do not take account of future growth projections.</p>
2	<p>Yes. Support that 0.5% of the existing stock is justified in the consultation document as representing ‘a basic level of increase in all areas without putting a disproportionate emphasis on existing stock levels.’ However, for those areas who have experienced recent significant increases to their housing stock, this method would mean further significant increases if this figure was greater than the household projections.</p>
3	<p>Yes. Support that using the workplace-based median house price to median earnings ratio from the most recent year for which data is available to adjust the standard method’s baseline is appropriate. The current standard method provides an effective mechanism for setting the housing need each year.</p> <p>However, using the workplace-based median house price to median earnings ratio does not take into account the earnings of residents who work in other local authority areas where the levels of earnings is greater. This can mean that an area is more affordable when using the house price to residence-based earnings ratio.</p> <p>The <i>Independent Review of Build Out</i> by the Rt Hon Sir Oliver Letwin MP published in October 2018 also concluded that market absorption of homogenous housing products resulted in the slow rate of build out. Therefore, to deliver faster build out rates, it is necessary to focus on a variety of housing types and tenures. Forcing prices to be reduced would result in problems for house builders as well as prices and financing in the housing market. The report also noted constraints to delivering the homes required, which included the limited availability of capital, the limited supplies of building materials, and the limited availability of skilled labour.</p> <p>Furthermore, support for increased housebuilding by register providers and local authorities would increase delivery and improve affordability. However, a focus on delivering more homes to improve affordability ignores the impact of the availability of finance to purchasers as a key factor in affordability. Greater focus on increasing workplace-based earnings would too improve affordability.</p>
4	<p>No. Object to the statement that incorporating an adjustment for the change of affordability over 10 years is a positive way to look at whether affordability has improved.</p> <p>Adding this into the adjustment factor results in a housing need for many districts increasing to undeliverable rates, which coupled with the removal of the cap means that many districts will be unable to meet their housing needs if defined by this formula. There is a focus on meeting a national 300,000 home annual requirement which is not</p>

	<p>actual housing need and implementing the standard method as proposed would have a detrimental impact on our two rural districts. The consultation document does not distinguish between urban and rural areas.</p> <p>The consultation document in paragraph 9 refers to the need to identify sufficient land to not prevent the market from delivering the homes that are needed. However, in the same paragraph there is an acknowledgement that having land identified does not ensure homes are actually built, which is reliant on wider market conditions and targeted government interventions. Therefore, the focus should be on supporting homes being built and preventing the market from being able to limit supply. The <i>Independent Review of Build Out</i> by the Rt Hon Sir Oliver Letwin MP published in October 2018 noted constraints to delivering the homes required, which included the limited availability of capital, the limited supplies of building materials, and the limited availability of skilled labour. There is no analysis in the consultation document of what has made up the deliverability of 241,000 homes last year to know what requires attention to boost delivery.</p> <p>If the standard method wishes to look at the difference between the current affordability ratio and one from 10 years previous, to ensure less volatility it may be more appropriate to average the affordability ratio over the past 10 years and use this figure instead of the current affordability ratio as a measure of affordability.</p>
5	<p>No. Object to the weighting proposed. The drive to address affordability will have the consequence of placing pressure on areas of land such as Areas of Outstanding Natural Beauty to deliver more homes.</p> <p>Often the cost of housing is higher in such protected areas for reasons such as demand for homes in an area of landscape beauty set against the scarcity of dwellings due to the protected status of the landscape.</p> <p>In areas such as Babergh District Council this leads to a significant increase in the demand for housing, which could either be met by allowing more development in protected Areas of Outstanding Natural Beauty or increasing the density of developments in other areas such as towns and core villages. This development pressure could significantly change the extent of development around these areas which will be difficult for communities to engage with and accept.</p> <p>The weighting given in the current standard method for assessing local housing need is appropriate together with the application of a cap on the increase when compared to previous housing needs.</p> <p>The consultation document does not distinguish between urban and rural areas.</p>
6	<p>Yes. Support the proposal that authorities which are already at the second stage of the strategic plan consultation process are given six months from the publication date of the revised guidance to submit their plan to the Planning Inspectorate for Examination, without consideration of the revised guidance.</p>
7	<p>Yes. Support the proposal that authorities close to publishing their second stage consultation (Regulation 19) should be given three months from the publication date of the revised guidance to publish their Regulation 19 plan, and a further six months to submit their plan to the Planning Inspectorate, without consideration for revised guidance.</p>

<p>8</p>	<p>Object. Our Councils would be very concerned if the provision of First Homes meant that there was any net reduction in the number of social and affordable rented dwellings, particularly in view of the potential increased need for rented housing if there are significant job losses as a result of the Covid-19 lockdown.</p> <p>If there was a specific requirement for First Homes dwellings, this would have an impact on the supply of more traditional affordable homes tenures with developers preferring and prioritising First Homes.</p> <p>The tenure delivery ratio should be set locally, with regard to affordable needs and in relation to housing costs, average earnings and overall affordability. Currently 10% of the overall housing delivery on a site that triggers affordable housing should be for affordable home ownership products and so far this requirement has not jeopardised the delivery of rented homes in our two council areas.</p> <p>However, if this percentage was increased it would erode the amount of rented affordable properties that could be delivered in our area which would impact on those in significant housing need and not earning enough to purchase a home. The affordability ratios for our two councils are between 9:1 and 11:1 so even where we have had Section 106 delivery with shared equity as part of the tenure mix offering new homes at 75% of the Open Market Value, developers have struggled to sell these to qualifying households due to the overall cost of buying in Babergh and Mid Suffolk.</p> <p>If the Government wishes to make certain the rates of First Homes to be delivered, then primary legislation will be most effective, but this will reduce local flexibility and potentially restrict delivery if proportions of First Homes are to be set too rigidly. As such, it would be more appropriate to deliver First Homes via changes to the National Planning Policy Framework.</p>
<p>9, 10,11</p>	<p>Exempting First Homes from the Community Infrastructure Levy (CIL) would make them more viable and attractive to developers to deliver and so, in theory at least, would increase delivery. However, Government might also consider allowing local authorities flexibility to vary the percentage requirements locally in order to aid site viability.</p> <p>The Government should ensure that First Homes are secured by a Section 106 or a similar legal arrangement if s106 process is removed and any exemption from CIL should be secured through a change to the CIL regulations or allow discretion to local authorities to decide to apply or not a discretionary exemption to CIL.</p> <p>Widen the scope of Housing Infrastructure Fund (HIF) grant funding bids. Not all local authorities have large strategic sites of several thousand homes. For rural councils it would help if there were grants aimed at smaller sites where infrastructure costs are stalling site delivery. HIF bids to date have been aimed at large sites which we don't have. We probably have two / three sites across both districts of over 1,000 homes so often miss out on competitive bid rounds due to having few qualifying sites. However, we do have sites of several hundred homes that are stalled and need help to be delivered. Adding many sites of 100+ units together all add up across the country.</p>
<p>12</p>	<p>Support the proposal that local plans and neighbourhood plans that are submitted for Examination within six months of this new policy being enacted will not need to reflect the First Homes policy requirements.</p>

However, more general transitional arrangements could help if the regulations are brought in but there will need to be greater clarity on this point and a time limit.

13 Based on median and lower quartile prices paid for new build properties in Babergh and Mid Suffolk, different discounts between 20% and 40% would have the following potential impacts on the price of First Home properties in our districts.

District	Median / Lower Quartile New Build Price	20% Discount	30% Discount	40% Discount
Babergh	Median	£299,950.00	£239,960.00	£209,965.00
	Lower Quartile	£249,995.00	£199,996.00	£174,996.50
Mid Suffolk	Median	£264,995.00	£211,996.00	£185,496.50
	Lower Quartile	£228,248.75	£182,599.00	£159,774.13

In order to estimate affordability, we have made some high-level assumptions about household income in our Districts, based on the most recent (2016) Office for National Statistics (ONS) data increased in line with ONS data on increases in full time earnings to 2019. The following represents approximate lower quartile gross household incomes for our Districts.

	Median Gross Household Income	Lower Quartile Gross Household Income
Babergh	£40,246.66	£31,649.66
Mid Suffolk	£40,463.81	£29,074.45

Based on the evidence produced from our 2019 Strategic Housing Market Assessment (SHMA), the maximum amount which households could borrow is as follows.

	3.5 x Median Gross Household Income	3.5 x Lower Quartile Gross Household Income
Babergh	£140,863.31	£110,773.81
Mid Suffolk	£141,623.34	£101,760.58

If we assume a 10% deposit on dwellings priced at the rates suggested above, it suggests the following mortgages would be required.

		Mortgage Requirement (10% deposit)		
		20% Discount	30% Discount	40% Discount
Babergh	Median House Price	£215,964.00	£188,968.50	£161,973.00
	LQ House Price	£179,996.40	£157,496.85	£134,997.30

	Mid Suffolk	Median House Price	£190,796.40	£166,946.85	£143,097.30
		LQ House Price	£164,339.10	£143,796.72	£123,254.33
	<p>This suggests that households on median incomes would only be able to afford lower-priced homes with a 40% discount. Households with a lower quartile income would not be able to afford any of these homes on any of these terms.</p> <p>In fact, in order to be affordable to buyers in Babergh and Mid Suffolk, it is likely that a discount in the region of 50% would be required in order to make these products affordable.</p> <p>As such, the flexibility to set a local discount would be helpful. However, if there is to be local flexibility in setting a discount, the Government needs to set out (in Guidance) that the local discount is to be accounted for in the price paid for land. In other words, it should not be justifiable to reduce affordable housing quantum or other developer contributions due to a locally or nationally required discount for first time buyers.</p> <p>Local price caps will be more relevant and effective. Existing price caps for Help to Buy are set very high and this product is meant to help those households on a more limited income and therefore the caps should be set lower than existing Help to Buy scheme.</p> <p>We do not think there should be a price cap for London and then one for the rest of England as there are many regional and local variances in property prices.</p>				
14, 15, 16	<p>Subject to reviewing detailed proposals it would help to have greater clarity around the entry-level exception site policy. Entry-level exception sites should be proposed based on demonstration of need in a local area. Currently we require Rural Exception Site (RES) schemes to be supported by a Local Housing Needs Survey and our view is that Entry-level exception sites should provide the same evidence of need and also comply with other planning policies about where development can take place. First Homes should not be considered suitable in a location that is unsustainable.</p> <p>If the scheme viability requires it, a Registered Provider (RP) or Local Authority (LA) could consider including some First Homes or a small number of market homes to aid viability as currently allowed on RES as part of the mix, but the tenure must be dependent upon housing need requirements.</p> <p>For example, our emerging Local Plan policies include the capacity to include an element of open market sale dwellings within a RES proposal but only if the scheme viability appraisal requires this and there is a cap at 35% of the overall development. Any home ownership product should be based on need for the product.</p> <p>LA's should be given discretion to widen the tenures and include tenures such as affordable self-build. Such schemes would still need to retain an "in perpetuity" clause to protect the affordable housing for successive tenants/occupiers secured through a S106 agreement and/or restrictive covenants on the land/legal interest</p> <p>The main issue around delivery of RES schemes is the availability of land at a reduced plot value. When seeking land for a RES, landowners do not come forward if they perceive "Hope Value" for their land for an open market led scheme and increased capital gains from their land. Searching for land and the time it takes to find a willing</p>				

	<p>landowner has a major impact on the number of schemes that make it to planning and on-site delivery. If the Councils had greater powers to acquire land at a reduced price or that preferential land costs were given to Community Land Trusts (CLT's) then there is a chance more RES could be delivered.</p> <p>We object and do not agree with removing the site size threshold. A site should remain small in scale to meet a local housing need identified through a housing survey as for rural exception sites.</p> <p>The success of RES schemes and acceptance of them by local communities is based on the fact that they are usually small scale and thus unobtrusive and meet local parish-based housing needs.</p> <p>To increase delivery of RES across the country the Community Housing Fund (CHF) grant needs to be extended to assist newly formed CLT's and other community-led housing groups to develop schemes and meet local needs. The lack of a current CHF programme means that there are many groups that are now not able to progress their plans for small scale development to meet local housing needs. They cannot rely on LA's to provide subsidised land as many LA's no longer have sufficient land holdings. Babergh and Mid Suffolk are certainly in that position and what land we do have is part of a Council home delivery pipeline programme.</p>
17	<p>We do not agree that this is an appropriate approach for rural Districts such as ours.</p> <p>Smaller sites delivering between 10 to 50 dwellings are an important proportion of the housing land supply for the Districts. We see the delivery of a significant number of our affordable homes on schemes between 10 and 50 homes. Approximately 48% of permissions granted during 2019/20 were schemes between 10 and 50.</p> <p>In Babergh this is demonstrated by 8 applications providing a total of 158 dwellings including 69 affordable units in 2019/20. In Mid Suffolk this is demonstrated by 10 MSDC applications providing a total of 241 dwellings including 102 affordable units in 2019/20.</p> <p>For comparison the equivalent for 2017/18 and 2018/19 were as follows:</p> <p>BDC 17/18 - 8 applications with a total of 189 dwellings including 79 affordable units.          BDC 18/19 - 10 applications with a total of 247 dwellings including 81 affordable units.</p> <p>MSDC 17/18 - 8 applications with a total of 190 dwellings including 86 affordable units.          MSDC 18/19 - 8 applications with a total of 216 dwellings including 62 affordable units.</p> <p>Raising the trigger threshold for the provision of affordable homes to between 40 and 50 units would have in this scenario reduce the amount of affordable homes by almost half impacting on the ability for us a district to provide much needed affordable homes for those in the highest housing need on our housing register.</p> <p>It would also impact on those wishing to access the housing ladder by purchasing low cost homes such as shared ownership. Affordability is a key issue in our districts for many who are on average incomes when the house price to income ratio hovers around 1:9 to 1:11. An appropriate level for the threshold is to allow districts to continue set their own thresholds via local plans.</p> <p>Moreover, the affordable elements of these schemes are a positive benefit which help ensure that our communities are supportive of development.</p>

	<p>If the affordable housing content is removed from smaller schemes it is foreseeable that this will reduce the delivery of new affordable homes in our villages. This will consequently reduce the opportunities in our villages to provide an appropriate mix of tenure types to add to market housing.</p> <p>A reduction in the delivery of affordable housing within developments up to 50 dwellings will perpetuate the imbalance in the housing mix available in our villages.</p> <p>A further consequence of the removal the affordable housing content from these smaller schemes will be a material reduction in local support for new development in our villages. In simple terms this will be perceived to be “nothing in it for the good of their communities”.</p>
18	<p>Other.</p> <p>The current small sites threshold of 10 dwellings is fit for purpose in our rural Districts. It is well known within industry and an accepted development factor which nonetheless delivers a continued pipeline of deliverable schemes.</p>
19	<p>Object. We do not agree. It is presumed that “scaling up” equates to 2ha or 2.5ha sites pro rata against the current trigger of 10 units / 0.5 hectare. Such sites in a rural area will be considerable and likely to constitute the majority of applications.</p> <p>This is not considered appropriate within rural Districts for the reasons set out within the responses to question 17 and 18.</p>
20	<p>Object. We do not agree with this linkage.</p> <p>This would be unlikely to be well related to the forward business planning and investment decisions of SME developers. Some deliverers of such smaller sites are regional sub brands of larger regional or national scale developers. At or above the 10 dwelling scale it is foreseeable that the business work programme will already be planned at least 12 months ahead.</p> <p>The corollary of an 18 month time limit for this approach does not achieve delivery of homes or construction activity unless local planning authorities also reduce the time frame for implementation of permissions to match.</p> <p>The delivery of development and construction activity is a key economic opportunity to be realised and the expediency of driving the economy through delivery and construction work requires that investment decisions and work should start within 18 months to optimise benefits for local economies and the housing market.</p> <p>If the 18 month time limit is taken forward it should be for Full planning permissions only where construction can commence without delay and should be expected to be begun within 18 months in order to provide the economic benefit described.</p>
21	<p>We agree subject to the fine detail which is not described in this consultation and which is critical.</p> <p>As a general comment it would be sensible to recognise that a larger site is capable of disassembly, potentially, by a group of SME builders.</p>

	<p>Presumably where a site is allocated in a local plan it would also be necessary to identify that the site's overall capacity means Affordable Housing (AH) contributions <i>will</i> be sought, notwithstanding the likely phased nature of the development overall.</p> <p>The proposed approach to minimising threshold effects is weak unless the guidance requires applicants and their associated businesses (including subsidiary or related companies) to fully declare under an absolute duty of good faith both their current and historic land and property interests in a finite area and the extent of their development ambitions.</p> <p>Experience of attempts to manage contributions avoidance through development plan policy indicates that this creates the opportunity for development supporting professions to explore and exploit potential loopholes including ambiguous policy drafting for their clients' financial gain at the cost of public interest in delivering affordable.</p> <p>Any such national guidance must ensure that the language used is precise, not open to ambiguous interpretation, and includes a duty of good faith regarding both the applicant and any associated businesses in relation to current and past property interests and their development ambitions.</p> <p>Any such guidance must be capable of being locked into binding commitments by way of Section 106 to be legally credible and reliable.</p>
22	<p>We agree that maintaining current thresholds in designated rural areas is appropriate. As can be seen from the response to Q.17 above, that is however a small part of the make-up of our two districts.</p> <p>If the question is intended to apply within rural areas generally, as stated above in response to Q.17, increasing the affordable homes thresholds to between 40 and 50 homes will foreseeably reduce the ability to deliver much needed affordable homes in our rural areas. Almost half of the total numbers of homes permitted last year were affordable and on schemes of between 10 and 50 units. To lose this contribution to supply would be very unwelcome.</p>
23	<p>There are other ways and the principal opportunities to support SME builders lie outside the planning system and within the financing arrangements which underpin many private developments.</p> <p>For the duration of the economic recovery period it is appropriate to consider government financial guarantees or similar which can ensure that financing of new entrant SME's so that their first ventures can be appropriately de-risked in the commercial borrowing market.</p> <p>One other opportunity to support SME's is direct intervention in the market whereby SME builders have preferential access to bid for sites etc. Also, by identifying that in seeking to drive up local development <i>quality</i>, as opposed to solely volume, SME builders are often best placed to achieve this aim. This should be recognised by the Treasury in terms of tax breaks etc. for acknowledged quality and delivery within defined time limitations similar to the "Eat out to help out" concept.</p> <p>Experience in our Districts indicates that there have been issues with the supply and price of building materials and difficulties with the supply chain through lockdown which are in practice of more consequence to SME's and their successful delivery of homes. Support to the resilience of the construction supply chain are appropriate</p>

	<p>measures for Government to review and explore mitigation / solutions to ensure that SME's can continue to build in a timely way.</p>
24	<p>Object. No, we disagree. The removal of this limitation will considerably increase uncertainty within our communities and provide little real certainty for builders to base their investment decisions upon.</p> <p>The removal of this restriction does not readily simplify or de-risk new development at Major scale. There is still the need for applicants and their professional advisers to spend time and the same amount of financial resource (as an Outline/Full application) at the Technical Details Consent stage. If technical aspects cannot be overcome then the advantage of a Permission in Principle (PiP) may be valueless in some cases.</p> <p>Given the need for this investment by an applicant in their project it is questionable whether PiP this would bring forward many more sites for residential development than are at present. Nevertheless, such an approach would lead to potentially significant decisions for a community as to where major new housing development will be located is perceived as being fast-tracked in the eyes of the community.</p> <p>If the aim is to remove delay, the proposal would be likely to speed up the process as a significant hurdle to progressing development will have been removed earlier. That said, no doubt a sizable (and usually more vocal) portion of the electorate will feel disenfranchised as described in the consultation as there would not be an opportunity for objections to be made.</p> <p>In the case of 150 plus scale development new delay may be introduced by challenges to EIA Screening Opinions, impacts on habitat etc.</p>
25	<p>Support. Yes, agree a limit should be set. The proposal in Paragraph 99 appears to be unclear with no cap on commercial floorspace as long as it is 'compatible' with a housing-led scheme. The question of compatibility introduces a test which would further confuse and create risk of challenge. It appears possible that a large commercial site (well over 1000 sq m/1 hectare) could be included in a PiP as long as the majority of the overall land use was residential and the absence of clarity is unhelpful.</p>
26	<p>Object. No, disagree. The PiP process is viewed as unworkable by many in the Planning and Development professions – being somewhere between a policy-level site allocation and an Outline application. Whilst the idea of it is clear, it is in fact almost of no use in our experience. As such it is scarcely used (six applications, resulting in permission for between 7 and 9 dwellings in the two years since its inception in our two authorities' areas).</p> <p>There are very few criteria to consider: type of development, number of units and location. It is suggested that given the importance of Sustainable Drainage Systems (SuDs), open space and the climate crisis, that these elements are also established upfront to guide the technical details later. SuDs and open space (well being) especially will result in significant influence on the number of dwellings possible for well designed spaces.</p> <p>If the idea of PiP is to provide comfort for developers that full permission will be granted, Local Planning Authorities need to be given more tools to consider the detailed ("technical") application – including building heights, possible removal of permitted development rights etc. at the detailed stage. This would also speed up the</p>

	<p>delivery of PiP sites, although parameters would have to be wider to allow for movement as detailed consideration unearths issues.</p>
<p>27</p>	<p>Object. No. To limit height this will potentially risk prescribing new PiP development to uniform height parameter. Experience indicates that this will compromise opportunities for good design and visual interest through variation.</p> <p>The preferred approach would be to allow consideration of height at technical stage take place and weighing up of the merits of the design, including height in the round at this point.</p>
<p>28</p>	<p>Disagree with the publicity approach as described.</p> <p>The expectation of a 5 week determination period and 14 day consultation with public and statutory consultees will be challenging for most Parish Councils to arrange to hold a formal meeting and submit a response.</p> <p>Foreseeably this timescale will be likely to increase the sense of “disenfranchisement” with the planning process experienced by Parishes and within communities without appropriate support and resourcing from central government. Public confidence in the planning process will be undermined.</p> <p>Stakeholders will also be likely to be challenged by a 14 day response timetable without appropriate resourcing and preparation.</p> <p>If appropriate technical and public consultation responses are not responded to in time which properly address the relevant planning issues of principle then it is foreseeable that this use of this procedure will also bring public confidence in the planning process into question.</p> <p>Given the challenges of a 14 day response timescale the importance of effective publicity and proper applicant engagement with the community cannot be underestimated.</p> <p>It is essential that the burden of publicity on an application does not rest solely with the local planning authority. There is an opportunity for applicants to publicise their own proposals well in advance of submission of a PiP, informing the planning authority concurrently of their intention to submit a PiP. This would have the advantage of early transparency and candour within the community and would also enable the local planning authority to anticipate and prioritise the allocation of its resources in good time.</p> <p>To be effective it is essential for there to be a single national prescribed standard for this publicity which will [a] add confidence and timeliness and [b] ensure effective process. One approach which places some responsibility on applicants exists for Class B demolition notifications under the Town &amp; Country Planning (General Permitted Development) Order 2015 Schedule 2 Part 11.</p> <p>This single national standard should be achieved through specific regulation and associated guidance to require prior notice of the intention to apply for PiP to be undertaken in a prescribed format in advance for a fixed period.</p> <p>The outputs of that publicity should be required to be provided, without applicant interpretation, to the determining planning authority at the time of application.</p>

29	<p>We do not agree with the proposal given the absence of detail in the consultation.</p> <p>We do not have any objection to the three bands of fees suggested in principle.</p> <p>It is, however, difficult to say how this would impact on our planning fee income without clarification as to the fee reduction which would be expected as the critical fee detail has not been included in this consultation for each option (bullets X, Y, Z).</p> <p>This is a significant omission which leads to a point of serious concern at the absence of clarity.</p>
30	<p>Based on the existing PIP fee for minor developments, the proposed fee for under 1 hectare development equates to a 13% discount when compared to a similar outline proposal.</p> <p>We do not consider a discount exceeding 13% would be appropriate for larger site area PiP proposals. We consider that this discount is appropriate as the planning authority will nevertheless need to give careful consideration to the PiP application in an accelerated timescale.</p> <p>The real saving advantage for developers will not be in the planning fee which is rarely a determining factor in development decision. In actuality the attraction will be a reduction in the applicants' requirement to engage technical specialists and submit detailed reports with their PIP application.</p>
31	<p>No, disagree, as not every Council has a Part 2 of the Brownfield Land Register.</p>
32	<p>A strong, up to date policy base is essential. The planning system at present is not nuanced to deal with this type of application without detailed technical issues being considered – notwithstanding that it appears they shouldn't be. Para 113. states that '<i>...a local planning authority only needs to make a decision on the principle of the development, not on the technical details of the development like a normal planning application.</i>' There is no clarity as to how would this be undertaken.</p> <p>It is very doubtful that a consultee would provide anything other than a technical response, for example highways and education provision. In addition, if local notification takes place how are these comments taken into account? Clearly if the Local Planning Authority can only consider the <i>principle</i>, any decision is only as good as the policies in the Local Plan on which is would be based.</p> <p>The assessment as to whether a site is 'suitable' for residential development under PiP is very vague. The lack of a footpath connecting a site to a village would make a site less suitable for residential development, but the regulations could be interpreted differently, that a site that is capable of having dwellings built on it is 'suitable'.</p> <p>It is noted in the consultation document that detailed matters such as transport access should be taken account of only at the Technical Details Consents stage, but if there is no likelihood of a site being accessed by means other than private car it is difficult to see how that could be addressed at the Technical Details Consents stage. Land may not be available to make a connecting footpath, or the cost of doing so makes the site unviable.</p>

	<p>It is not in a developer’s interests to leave such matters affecting site viability to a detailed stage. The development industry needs early certainty and PiP would not de-risk the process but instead backload these risks.</p> <p>In short, the PiP process would not embed the certainty to enable a housebuilder to commit to an investment / development decision without further work on the risk aspects which would be inherent in the technical details. The method of Outline / Reserved Matters would foreseeably remain more certain for the housebuilding industry.</p>
33	<p>There are a number of drawbacks within the proposed scheme. These are described in detail within the responses to Q.24 to Q.32. These include providing clarity in guidance, more effective public engagement and ensuring that planning authorities are properly resourced to consider such PiPs in a timely way.</p> <p>If implemented as consulted upon there will be a need to ensure that the scope of the considerations of location, land use and amount of development are clear to both applicants and local planning authorities. It will be essential for that guidance to clearly ensure that where there are critical infrastructure issues these are in scope to enable the planning authority to refuse to grant PiP.</p> <p>These infrastructure issues will include but are not limited to highways and footway issues, education capacity in local schools and sustainable drainage capacity within the site which may compromise the amount of development that can be successfully accommodated in a particular location.</p>
34	<p>We do not believe that the proposed measure will be well used given the limited number of PiP applications received (5 in MSDC and 1 in BDC within the past year).</p> <p>It is however likely that this measure will simply be used by purely speculative applicants on an opportunistic basis to enhance land value without real commitment to deliver homes and undertake construction work.</p> <p>In our experience established developers are more likely to use conventional Outline / reserved matters applications to de-risk proposals successfully and in a timely way.</p>
35	<p>We consider that there are clear direct and indirect adverse impacts upon our communities of people with protected characteristics within our rural areas which are not “designated” as described within this consultation. The proposals appear to have an urban bias which would disadvantage those living in rural areas, including those with protected characteristics.</p>