

APPENDIX A

Changes to the current planning system

Consultation on changes to planning policy and regulations

The standard method for assessing housing numbers in strategic plans

Step 1

Setting the baseline – providing stability and certainty by incorporating a blend of household projections and stock

Q1: Do you agree that planning practice guidance should be amended to specify that the appropriate baseline for the standard method is *whichever is the higher* of the level of 0.5% of housing stock in each local authority area OR the latest household projections averaged over a 10-year period?

Response:

No

Para 59 of the NPPF refers to bringing forward land where it is needed and the standard methodology is aimed at establishing need. It is therefore difficult to understand the basis for using a percentage of the housing stock. Such an approach simply reinforces the existing pattern of development. If such an approach is to be used, the Government needs to ensure that it is supported with a directional approach to economic growth so that jobs are provided where homes are being built.

Whilst it is acknowledged that future demographic behaviour is inherently uncertain, national planning policy requires Local Plans to be justified and based upon sound **up-to-date** evidence. The use of the latest household projections is therefore supported.

It is still not clear what evidence the Government's aspiration of creating a housing market that is capable of delivering 300,000 homes annually is based upon. It should be explained how this is aligned with meeting housing needs.

The uncertainty resulting from this consultation and the suggestion that further changes will be made (see White Paper - Planning for the Future and reference to binding housing requirements), is resulting in a further lack of stability and certainty for local planning authorities, developers and local communities.

Q2: In the stock element of the baseline, do you agree that 0.5% of existing stock for the standard method is appropriate? If not, please explain why.

Response:

See response to Q1

Step 2

Adjusting for market signals – maintaining price signals using the current affordability ratio and the change in affordability over the last 10 years

Q3: Do you agree 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? If not, please explain why.

Response:

No

Workplace-based earnings are based on where a job is registered, not where an employee lives. Residence-based earnings may be more relevant to issues of affordability than workplace-based earnings especially with the shift to more flexible working patterns including working from home. Furthermore, workplace-based earnings do not take into account functional relationships between places such as the existence of good public transport links and the need for many households to consider the location of more than one job.

Q4: Do you agree that incorporating an adjustment for the change of affordability over 10 years is a positive way to look at whether affordability has improved? If not, please explain why.

Response:

No

Whilst ten years is considered a sufficiently long period to mitigate short term trends and is a way of assessing how affordability has changed over a chosen period, it does not provide a good indication of where housing is needed in the future.

Q5: Do you agree that affordability is given an appropriate weighting within the standard method? If not, please explain why.

Response:

No

The two stage affordability adjustment results in an over emphasis being placed on affordability and an unjustifiable uplift over and above the household projections.

To demonstrate this, please see the calculation below for Bracknell Forest which uses the 2019 affordability ratio:

Step 1 – setting the baseline

Projected annual growth 2020-2030 = 3,352

Average over 10 years = **353.2**

Step 2 - adjusting for market signals

T=0 = 9.33 (year 2019)

T=-10 = 5.55 (year 2009)

Therefore:

Part 1 of calculation $[(9.33-4)/4] \times 0.25 = 0.333$

Part 2 of calculation $(9.33-5.55) \times 0.25 = 0.945$

Overall calculation part 1 plus part 2 plus 1

0.333 + 0.945 +1 = 2.278

Step 3 calculation of LHN

Adjustment factor x baseline figure

2.278 x 353.2 = 804.6 (805 rounded)

Of the 805 new homes pa theoretically needed, 56% (i.e. 452 pa) are due to the affordability factor.

As can be seen, the formula places a disproportionate amount of weight on past changes in affordability. Over the last 10 years, housing completions Bracknell Forest have increased significantly from 325 dwellings in 2009/10 to 1,731 in 2019/20. However, the ratios suggest that housing has become less affordable.

Affordability will not be addressed by simply building more homes. The housing market is complex and other factors beyond planning, such as the cost and availability of finance impact on the housing market. Attention is drawn to the Letwin Review and findings on absorption rates - the number of homes developers build at any one time on sites is limited to prevent a glut driving down prices. There is no evidence to support the view that releasing additional land will result in accelerated delivery or a significant reduction in the cost of new housing.

The Berkshire (including South Bucks) SHMA (2016) dealt with affordability in Bracknell Forest. Although it drew upon slightly different and earlier data, the analysis shows that the uplift suggested by the proposed formula is excessive compared with the figures specified in the SHMA.

Do you agree that authorities should be planning having regard to their revised standard method need figure, from the publication date of the revised guidance, with the exception of:

Q6: Authorities which are already at the second stage of the strategic plan consultation process (Regulation 19), which should be given 6 months to submit their plan to the Planning Inspectorate for examination?

Response:

Yes

If the Government does proceed with this approach then those authorities that are at Regulation 19 should be given the opportunity to have their plans examined within a reasonable period without having to apply the revised method.

Where the proposed method results in a higher housing number, it is likely that developers will use the suggested approach outlined in this consultation as a vehicle for arguing that further sites should be released. If transitional arrangements are to be meaningful, the Government and Planning Inspectorate must support Authorities that submit on the basis of calculations that draw upon the current method and data.

Q7: Authorities close to publishing their second stage consultation (Regulation 19), which should be given 3 months from the publication date of the revised guidance to publish their Regulation 19 plan, and a further 6 months to submit their plan to the Planning Inspectorate?

If not, please explain why. Are there particular circumstances which need to be catered for?

Response:

Yes

If the Government does proceed with this approach then those authorities that are close to publication under Regulation 19 should be given the opportunity to have their plans published and examined within a reasonable period without having to apply the revised method. There is a need to be clearer about the definition of 'close to publishing' to avoid uncertainty and debate at examination.

Strong concern is expressed about the fact that this consultation document makes no reference to the impact of these possible changes on the five year housing land supply where a local plan is not up to date. The proposals could mean that a local authority might move from a position of being able to demonstrate a deliverable housing land supply, to one where it cannot. It would also have a significant impact on the HDT result. Para 22 of the Housing Delivery Test Measurement Rule Book 2018 included transitional measurements (para 21) which involved using the household projections for the financial years up to upto 2016-2017 and then the LHN thereafter, where a Plan is out of date. As time passes, the reliance on the LHN therefore increases. If the Planning Practice Guidance is updated to reflect the suggested approach during the next few months, It is considered unjust to have to move to using the revised LHN for a calculation that is meant to reflect past performance.

Bracknell Forest Council urges the Government to address the above with transitional measures.

Delivering First Homes

Setting developer contributions for First Homes

Q8: The Government is proposing policy compliant planning applications will deliver a minimum of 25% of onsite affordable housing as First Homes, and a minimum of 25% of offsite contributions towards First Homes where appropriate. Which do you think is the most appropriate option for the remaining 75% of affordable housing secured through developer contributions? Please provide reasons and / or evidence for your views (if possible):

i) Prioritising the replacement of affordable home ownership tenures, and delivering rental tenures in the ratio set out in the local plan policy.

ii) Negotiation between a local authority and developer.

iii) Other (please specify)

Response:

(ii)

Whilst recognising that First Homes will potentially meet the housing needs of a sector of our residents, requiring a minimum of 25% of any affordable housing provision to be met through First Homes will have the impact of reducing the housing options for households in greatest need. The Council should be left to set out affordable housing tenure expectations that best meets needs informed by local evidence.

Housing costs within Bracknell Forest are high for purchase or rent. In terms of purchase, the average house price has remained well above the national average for many years. The entry level house purchase costs represent a significant challenge for younger households and have now risen to over 11 times typical earnings of younger households in the Borough.

The Bracknell Forest Housing Needs Assessment (July 2020^[1]) indicates a total need for 376 affordable homes per year split between 252 rented affordable homes and 124 affordable home ownership products with shared ownership as the most appropriate form of home ownership.

As far as the two thirds of rented affordable housing is concerned, a 50/50 split in provision is required between social rent and affordable rent and with affordability linked to the Local Housing Allowance (LHA).

The Bracknell Forest Housing Needs Assessment identifies a clear and acute need for rented affordable housing from lower income households. It is therefore imperative that the Council retains the ability to maximise the availability of rented affordable homes at social rent or up to a maximum LHA level.

If it is the intention of the Government to prioritise the delivery of First Homes, the Council would want to retain the balance (75%) as affordable homes for rent. Given that the national and local housing context for the delivery of affordable housing is subject to change, the Council would want the flexibility to negotiate the mix and tenure subject to site specific circumstances, market conditions and income.

The role of shared ownership housing as a route to home ownership should not be underestimated and it should still feature as an option alongside First Homes.

Table 1 below provides a breakdown of the affordable housing completions for the period 2018 – 2019. This demonstrates that affordable housing has been split between affordable rent and shared ownership. Should First Homes replace all home ownership products i.e. shared ownership would cease to exist, this could deprive those of an alternative route to home ownership that relies on a model of part rent/part buy that would be affordable for the occupier based on a share of the mortgage and rent along with any service charge and ground rent. First Homes should therefore form part of and not a substitute for other routes to home ownership to ensure that the size, tenure a type of housing meets the needs of different groups within the community.

Table 1 – S106 Affordable Housing Completions 2018 - 2019

Tenure	% of total s106 funded affordable housing completions 2018-2019
Social Rent	0
Affordable Rent	60.23
Intermediate Rent	0
Shared Ownership	39.77
Affordable Home Ownership	
TOTAL	100

With regards to current exemptions from delivery of affordable home ownership products:

Q9: Should the existing exemptions from the requirement for affordable home ownership products (e.g. for build to rent) also apply to this First Homes requirement?

Response:

No

If First Homes are to provide an affordable route to home ownership and thereby fall within the definition of affordable housing as set out in Annex 2:Glossary to the NPPF i.e. *'Affordable Housing; housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home and/or is for essential local workers, they should still deliver housing that is affordable in the context of the local housing market within Bracknell Forest having regard to house prices and local incomes.*

The Estimated Lower Quartile House Prices by Size, Year to March 2019 within Bracknell Forest are set out in the Table below.

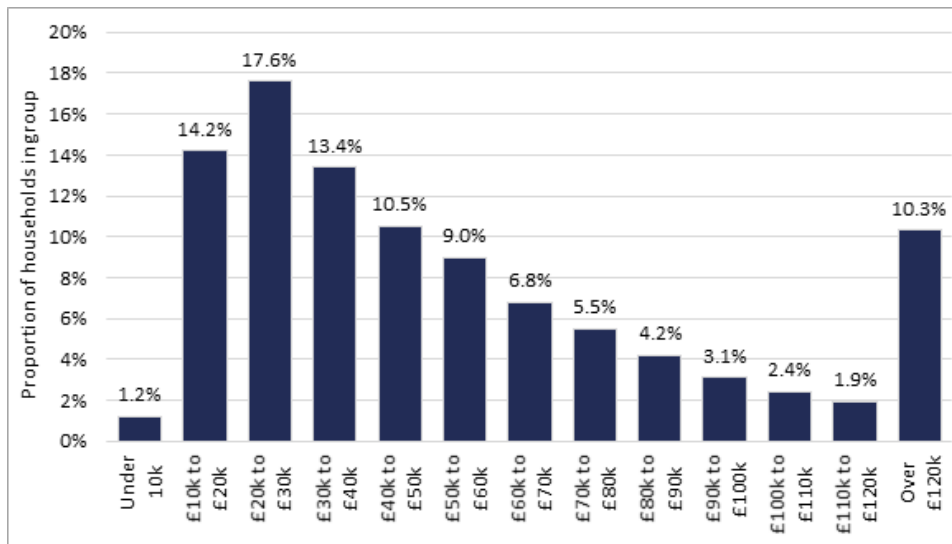
Table 2 - Lower Quartile House Prices

	Bracknell Town	Southern Parishes	Northern Parishes	Bracknell Forest
1. bedroom	£135,000	£142,000	£155,000	£143,000
2. bedrooms	£209,000	£220,000	£240,000	£222,000
3. bedrooms	£305,000	£321,000	£351,000	£324,000
4. bedrooms	£444,000	£468,000	£511,000	£472,000
All Dwellings	£272,000	£286,000	£301,000	£285,000

Source: Land Registry and Internet Price Search

The house price data must be viewed in the context of the income distribution across Bracknell Forest. The Bracknell Forest Housing Needs Assessment (July 2020) explains that overall the average (mean) household income is estimated to be around £57,600, with a median income of £43,200 and the lower quartile income of households estimated to be £25,100. The distribution of household income in Bracknell Forest in 2018 is illustrated in Table 3.

Table 3 - Distribution of household income in Bracknell Forest in 2018



Given house prices and the distribution of household income evidenced above, First Homes, even with a discount of 30% would still be out of the reach of many. Further consideration should therefore be given to the level of discount i.e. the level of discount should be determined locally in the light of the impact on the delivery of other forms of affordable housing; the affordability of the First Homes product and the impact on other social and physical infrastructure necessary to secure the delivery of sustainable development.

Q10: Are any existing exemptions not required? If not, please set out which exemptions and why.

Response:
See response to Q9.

Q11: Are any other exemptions needed? If so, please provide reasons and /or evidence for your views.

Response:
No

The wording “unless this would ... significantly prejudice the ability to meet the identified affordable housing needs of specific groups” (paragraph 64) is important. Loss of this wording would unacceptably limit local flexibility, and may result in the need for further exemptions to be established

Local plans and transitional arrangements**Q12: Do you agree with the proposed approach to transitional arrangements set out above?**

Response:

Yes

Level of discount**Q13: Do you agree with the proposed approach to different levels of discount?**

Response:

Yes

Requiring 25% of all affordable housing provided to be First Homes sold at 30% discount will significantly impact on ability to meet local housing needs and this is not supported. However, the authority should have the discretion to determine discount levels locally. Where higher discount levels are applied to ensure affordability in a local context this should reduce the % of affordable housing that has to be provided as First Homes accordingly.

Exception sites and rural exception sites**Q14: Do you agree with the approach of allowing a small proportion of market housing on First Homes exception sites, in order to ensure site viability?**

Response:

No

Any decision relating to the most appropriate affordable housing tenure on those sites should be made at local authority level based on local need and affordability – with First Homes as one of the options for consideration.

The option of providing a small proportion of market housing, in exceptional circumstances, is agreed to ensure the overall viability of the site. It should be for the applicant to demonstrate why this is necessary on a case-by-case basis based on viability considerations only.

Q15: Do you agree with the removal of the site size threshold set out in the National Planning Policy Framework?

Response:

No

The removal of a threshold limit could allow substantial developments to come forward without any reference to most local plan policy, since exception sites are only required to reference policy in the NPPF or local design policies. This could significantly undermine the adopted local plan and the plan-led approach to development set out in national legislation and guidance.

Q16: Do you agree that the First Homes exception sites policy should not apply in designated rural areas?

Response:

Yes

Supporting small and medium-sized developers

Extending the small sites policy

For each of these questions, please provide reasons and / or evidence for your views (if possible):

Q17: Do you agree with the proposed approach to raise the small sites threshold for a time-limited period?

Response:

No

The Bracknell Forest Housing Needs Assessment (July 2020) explains that the scale of the affordable housing need would justify the reduction in the threshold over which sites in the Borough are required to deliver affordable housing to at least a threshold of 10 dwellings (in accordance with the NPPF Para 63). Securing affordable housing is already being made substantially more difficult through the planning system by the continued expansion of permitted development rights that do not allow for affordable housing to be secured.

Raising the threshold for the delivery of affordable housing would deprive those in housing need, whether for rent or purchase, of a means to accessing the housing market. It would serve to undermine community cohesion by depriving people of a permanent home and ability to develop local connections, which is essential for physical and mental health, particularly at a time of a global pandemic. It seems contrary to the Government's emphasis on the need to address affordability in other consultation proposals. The move to reduce the potential supply of affordable housing is not justified by the current economic position. SMEs are continuing to deliver and sell housing in Bracknell Forest.

In any case, local planning policies generally allow for viability to be considered at the planning application stage in exceptional circumstances. Where a site is unviable, a local authority may upon suitable evidence accept a lower contribution to affordable housing or lower infrastructure payments. This is current and normal practice. Furthermore, by the time developments come to be built, the economy may well have recovered. A blanket threshold approach prevents mechanisms being built into Section 106 agreements to secure contributions where viability improves.

Q18: What is the appropriate level of small sites threshold?

i) Up to 40 homes

ii) Up to 50 homes

iii) Other (please specify)

Response:

iii)

Retain existing threshold. We need to try and maximise our ability to meet the need for affordable housing.

Q19: Do you agree with the proposed approach to the site size threshold?

Response:

No

Object in principle to raising the site threshold – refer to response to question 17 above

Q20: Do you agree with linking the time-limited period to economic recovery and raising the threshold for an initial period of 18 months?

Response:

No

The impact of raising the threshold would extend beyond 18 months i.e. a scheme approved within the 18-month period could be implemented 3 years after the grant of the planning permission. However, if it is to be introduced for a time limited period of 18 months, it should come with a clear presumption that the threshold will expire automatically after 18 months unless there are clear recovery-related reasons for extending it. Such an extension should be subject to further consultation and clearly based on relevant evidence. Ideally, the criteria for considering whether it should be extended should be available at the point that the initial threshold is introduced. There is certainly a perception that changes to the planning system are not always based on relevant evidence, as the recent expansion of permitted development rights on the same day as publication of a report highlighting the poor accommodation created by such rights demonstrates. It would therefore be very welcome if changes to the system could be linked more effectively to the evidence justifying those changes – as is expected of local authorities in plan-making.

Q21: Do you agree with the proposed approach to minimising threshold effects?

Response:

Yes

In principle, there is support for guidance that prevents a larger site being divided up to avoid the affordable housing threshold, but this would not be necessary if the existing threshold for the delivery of affordable housing was not changed.

Affordable housing in rural areas

Q22: Do you agree with the Government's proposed approach to setting thresholds in rural areas?

No

We believe that there should be no artificial distinction between urban and rural parishes and that in both instances the local authority should have the ability to set suitable thresholds if it can be justified by evidence. No other approach makes sense, particularly given the Government's emphasis on the need to address affordability elsewhere in consultation proposals.

Supporting SMEs

Q23: Are there any other ways in which the Government can support SME builders to deliver new homes during the economic recovery period?

Response:

The planning system should not be the only, or the main, means to support SME builders. The Government has many means at its disposal to support specific sectors and groups of businesses, such as via the tax system. The use of the planning system is an extremely blunt tool given that it is based on the merits of the proposal not the identity of the applicant.

Extending Permission in Principle to cover major development

Q24: Do you agree that the new Permission in Principle should remove the restriction on major development?

Response:

No

The PiP process might be acceptable for major development if limited to consideration of location and land use. For larger sites, it will be difficult to make an assessment about amount of development proposed without supporting technical material concerned with matters such as surface water drainage which can have an impact on the developable area of a site and potentially reduce capacity. Similarly, a transport statement is critical to addressing traffic impact especially for larger schemes. Other examples would be ecological information and heritage. **Furthermore in order to comply with the Habitats Regulations, a Habitats Regulations Assessment would need to be agreed with the Council and Natural England in order to demonstrate no likely significant effect on habitats sites. In order to do this an air quality assessment will be required and air quality mitigation agreed (if required). To date we are not aware that mitigation to address air quality effects on habitats sites has been agreed in England.**

A further concern is how this approach would deal with phasing which is often an issue with major development. At present, it is possible to deal with phasing by condition at the outline stage. S106s are also dealt with at the outline stage which is critical for infrastructure. The proposal would undermine the position with legal obligations in that these are only reasonable if they are necessary to make a development acceptable. By granting a PiP you would be confirming that it is acceptable, without first identifying what obligations might be required.

The 5 week period for determination and 14 day period for statutory consultations is unrealistic given the potentially complex nature and scale of the proposed development.

Q25: Should the new Permission in Principle for major development set any limit on the amount of commercial development (providing housing still occupies the majority of the floorspace of the overall scheme)? Please provide any comments in support of your views.

Response:

No

It is proposed that the amount of development in each use would be considered as part of the PiP. It is assumed that the PiP could be refused if the balance of uses seemed unacceptable. Larger scale developments including a mix of uses might be more likely to have impacts beyond the immediate locality of the site which will take time to deal with, for example wider retail impacts.

It would be helpful if the terms "housing-led" and "majority of floorspace" could be defined in more detail, for the sake of clarity

Process for making a Permission in Principle application for major development

Q26: Do you agree with our proposal that information requirements for Permission in Principle by

application for major development should broadly remain unchanged? If you disagree, what changes would you suggest and why?

Response:

No

The minimal information currently required for a PiP will very rarely be sufficient to establish the principle of the location, land use and amount of development for major development. There needs to be a plan showing the distribution of uses on the site. This would help where there are constraints on part of a site e. g. flood zones. The type of development (e.g. houses or flats) should also be specified. Larger scale developments are more likely to have impacts beyond the immediate locality of the site which will require testing.

Q27: Should there be an additional height parameter for Permission in Principle? Please provide comments in support of your views.

Response:

Yes

Height is often a key factor in the consideration of the principle of development in established built-up areas.

Height is also a key determinant of the amount of development that can be achieved on a site. Sensitivities of height include impacts on the historic environments, townscape and landscape, climate (including energy efficiency) daylight and sunlight.

However, adding further considerations takes time and has significant cost implications. Also there is a danger that by setting a maximum parameter, schemes will be designed to this limit without regard to surrounding development

Q28: Do you agree that publicity arrangements for Permission in Principle by application should be extended for large developments? If so, should local planning authorities be:

i) required to publish a notice in a local newspaper?

ii) subject to a general requirement to publicise the application or

iii) both?

iv) disagree

If you disagree, please state your reasons.

Response:

Agree that publicity arrangements for Permission in Principle by application should be extended
Option ii) is supported

Advertising in local newspapers is expensive and is no longer an effective means of informing those that could be affected by a particular development.

Whilst Option (ii) is supported, it would be helpful if further advice was provided on the range of methods that could be employed. Site notices and notification of residents living in the vicinity are usually the most effective means.

Q29: Do you agree with our proposal for a banded fee structure based on a flat fee per hectare, with a maximum fee cap?

Response:

No

It is unlikely that a flat fee based on hectareage will reflect the complexity of consideration of a proposal, particularly on a small site in a sustainable location where a higher density may be appropriate. A flat fee may well fall significantly short of covering the costs of assessing the application.

Q30: What level of flat fee do you consider appropriate, and why?

Response:

No comment

Q31: Do you agree that any brownfield site that is granted Permission in Principle through the application process should be included in Part 2 of the Brownfield Land Register? If you disagree, please state why.

Response:

Yes

Q32: What guidance would help support applicants and local planning authorities to make decisions about Permission in Principle? Where possible, please set out any areas of guidance you consider are currently lacking and would assist stakeholders

Response:

The main issue is that supporting information to justify the location, land use and amount of development will be lacking for larger sites that are often more complex and sensitive.

Q33: What costs and benefits do you envisage the proposed scheme would cause? Where you have identified drawbacks, how might these be overcome?

Response:

A five week timescale is insufficient to assess the information requirements for major schemes. The application fee also needs to reflect the costs of assessing this information.

Experience is that PiP rarely offers any clear advantages over a more traditional route to development, such as outline and reserved matters, or pre-application advice followed by a full application.

Q34: To what extent do you consider landowners and developers are likely to use the proposed measure? Please provide evidence where possible.

Response:

Whilst noise has been made of the PiP procedure for minor development, a 5-week route to some form of consent may prove attractive.

They may however have greater confidence in more traditional routes to development, such as outline and reserved matters, or pre-application advice followed by a full application

Given the minimal information required, it is unlikely that it will often be possible to grant PiP in most cases, which will only serve to place more costs on the applicant and lead to further delays.

Public Sector Equality Duty

Q35: In light of the proposals set out in this consultation, are there any direct or indirect impacts in terms of eliminating unlawful discrimination, advancing equality of opportunity and fostering good relations on people who share characteristics protected under the Public Sector Equality Duty?

Response:
No comment