

## **AGENDA ITEM No. 4**

**CABINET**

**HEAD OF PLANNING AND HEAD OF  
ENVIRONMENTAL HEALTH AND HOUSING**

**2 May 2017**

**REPORT NO. PLN1709**

**KEY DECISION: NO**

### **CONSULTATION RESPONSES ON THE HOUSING WHITE PAPER: FIXING OUR BROKEN HOUSING MARKET AND PLANNING AND AFFORDABLE HOUSING FOR BUILD TO RENT**

#### **SUMMARY AND RECOMMENDATIONS:**

This report summarises the key elements of the Housing White Paper: Fixing our broken housing market and seeks Cabinet approval to submit the comments set out in Appendix A and Appendix B (Planning and affordable housing for Build to Rent) as Rushmoor Borough Council's consultation responses.

## **1. INTRODUCTION**

- 1.1 The Government published a Housing White Paper: Fixing our broken housing market in February 2017. The White Paper is a long-term strategy to build the homes the country needs and also to address people's housing needs and aspirations in the shorter term. It sets out the support the Government will provide to enhance the capacity of local authorities and industry to build the new homes needed.
- 1.2 To implement the objectives set out in the White Paper the Government is consulting on a range of specific planning proposals. The series of 38 consultation questions are set out, as attached at Appendix A, together with the Council's proposed response. In addition, proposals for Build to Rent outlined in the Housing White Paper are subject to a separate consultation. A consultation response to Planning and affordable housing for Build to Rent is set out in Appendix B.

## **2. BACKGROUND**

- 2.1 The Government has published the White Paper in response to what is described as a broken housing market. A key objective of the proposals set out in the White Paper is to help build more homes.

### **3. KEY PROPOSALS AND CONSULTATION RESPONSES**

#### **Key Proposals**

3.1 The key proposals in the Housing White Paper are summarised below:

##### **For local authorities:**

- Higher fees and new capacity funding to develop planning departments;
- Simplified plan making;
- More funding for infrastructure;
- Easier to take action against those who do not build permitted schemes;
- Scope of bespoke housing deals to make best of local innovation;
- Local authorities should be as ambitious and innovative as possible;
- All local authorities should develop an up-to-date local plan, decide applications for development promptly, and ensure homes are built out on time;
- Government will intervene if sufficient progress not made, with a new housing delivery test.

##### **For private developers:**

- A planning framework more supportive of higher levels of development;
- Quicker processing and determination of planning applications;
- Improved approach to developer contributions;
- Encourage modern methods of construction in house building;
- Encourage greater diversity of homebuilders, partnering with smaller and medium-sized builders and contractors, and helping with access to loan finance;
- Expect developers to build more homes and swiftly where permission is granted, engage with communities, and promote benefits of development;
- Invest in bringing forward thousands of new skilled roles.

##### **For communities:**

- Simpler and clearer planning process, easier to get involved;
- Ensure communities see the benefit of housing growth and have greater say in the design of local developments;
- Asked to accept that more housing is needed to help future generations.

##### **For housing associations:**

- Already announced expanded and more flexible Affordable Homes Programme with funding of £1.7billion;
- Provide clarity on future rent levels;
- Expect housing associations to build significantly more affordable homes.

**For lenders and investors:**

- Government is offering a clear and stable long-term framework for investment, including products for rent (Build to Rent);
- Lenders called upon to back developers and social landlords in building more homes.

**For utility companies and infrastructure providers:**

- Government is offering a clear framework and simpler plans to help them understand the demands made upon them;
- Exploring an improved approach to developer contributions to pay for new infrastructure;
- Expect providers to deliver the infrastructure that new housing needs so that development is not delayed.

**Planning and Affordable Housing for Build to Rent Consultation Paper**

3.2 The main proposals in the consultation paper on Planning and Affordable Housing for Build to Rent are:

- Changes to the National Planning Policy Framework to support Build to Rent through the planning system;
- The introduction of a new form of affordable housing in Build to Rent schemes: Affordable Private Rent;
- The expectation that Build to Rent schemes will offer family friendly tenancies of three years or more to households which want one.

**Consultation Responses**

3.3 A full response to the 38 questions set out in the Housing White Paper consultation to proposed changes to planning policy and legislation in relation to planning for housing, sustainable development and the environment is set out at Appendix A. Many of the proposals are acceptable in principle but more detail is required to fully assess their acceptability. However, some proposals are not supported as set out in Appendix A.

3.4 The key issues to highlight are:

- The introduction of a requirement to allocate small sites of half a hectare or less is not supported, as it will place a disproportionate resource burden on local planning authorities.
- National indicative minimum density standards are not supported. The appropriate density of development should be determined having regard to local site circumstances.
- A national standard to seek a minimum of 10% of all homes on individual sites for affordable home ownership products is not supported. The percentage of homes on individual sites provided as affordable home ownership should be based on local circumstances, local assessment of need, nature and location of the site, rather than being set out as a national standard in the NPPF.
- The expansion of the definition of affordable housing will increase housing choice but will dilute the ability of the Council to meet housing need for the most disadvantaged groups.

- 3.5 A full response to the consultation paper on Planning and affordable housing for Build to Rent is set out at Appendix B. The key issues are:
- That the Government’s policy intervention will encourage delivery of this product, however we want to be able to determine the percentages of Affordable Private Rent locally rather than nationally to reflect our local housing market and housing need.
  - Affordable Private Rent could play a useful role in the delivery of affordable housing, however there could be unintended consequences such as undermining the role of Registered Providers and there are questions on the role of the institutional investors in supporting vulnerable people and their appetite for involvement in multi-agency working.
  - We support the opportunity for longer length tenancies but are not resourced to monitor tenancy lengths and would require nomination rights to Private Affordable Rent.
  - The Government should prescribe both a minimum covenant period and claw-back arrangements to ensure Build to Rent and Affordable Private Rent are not misused as a short-term mechanism to provide Affordable Housing.

#### **4. IMPLICATONS OF THE DECISION**

- 4.1 There are no significant financial, resource, equalities impact or other implications arising from the submission of the consultation responses.
- 4.2 There maybe be resource implications for the Council, principally in its role as a local planning authority, arising from some of the proposals set out in the White Paper, if these are implemented. Until further details are provided the resource implications cannot be fully assessed.

#### **5. CONCLUSIONS**

- 5.1 The White Paper; Fixing our broken housing market sets out a range of proposals to help tackle the long-standing problems in the housing market and help to build more homes. A response to proposed changes to planning policy and legislation in relation to planning for housing, sustainable development and the environment is set out at Appendix A. In addition, a response to the consultation paper on Planning and affordable housing for Build to Rent is set out at Appendix B.

#### **6. RECOMMENDATIONS**

- 6.1 **It is recommended that: the comments set out at Appendix A and Appendix B are endorsed as the Council’s response to the consultation on the White Paper: Fixing the broken housing market**

and to the consultation paper on Planning and affordable housing for Build to Rent.

**BACKGROUND DOCUMENTS:**

White Paper: Fixing the broken housing market

Planning and affordable housing for Build to Rent – a consultation paper

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### Consultation Response to the Government's Housing White Paper: Fixing our broken housing market

#### 1. Do you agree with the proposals to:

- a) **Make clear in the National Planning Policy Framework that the key strategic policies that each local planning authority should maintain are those set out currently at paragraph 156 of the Framework, with an additional requirement to plan for the allocations needed to deliver the area's housing requirement?**

The strategic priorities set out in paragraph 156 of the Framework require policies to provide:

- the homes and jobs needed in the area;
- the provision of retail, leisure and other commercial development;
- the provision of infrastructure for transport, telecommunications, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat);
- the provision of health, security, community and cultural infrastructure and other local facilities; and
- climate change mitigation and adaptation, conservation and enhancement of the natural and historic environment, including landscape.

Any change to the NPPF should make clear that whilst the majority of the strategic priorities listed fall within the responsibility of local planning authorities, some priorities are the responsibility of county councils (transport, minerals and waste). In addition, many other organisations have significant responsibilities in relation to these matters including public institutions, not-for-profit charities and privately owned companies working within a regulated market.

- b) **Use regulations to allow Spatial Development Strategies to allocate strategic sites, where these strategies require unanimous agreement of the members of the combined authority?**

If Spatial Development Strategies are to be used to allocate strategic sites, they should be subject to the same local public or independent scrutiny as those identified through local plans. It is important that the consideration of strategic sites takes place alongside other elements of the plan-making process such as Sustainability Appraisal and Infrastructure Planning. There would also need to be a very clear definition of what constitutes a 'strategic site'.

- c) **Revise the National Planning Policy Framework to tighten the definition of**

### **what evidence is required to support a ‘sound’ plan?**

This change is supported. The content of all Local Plans vary according to their area and local circumstances. A pragmatic approach would therefore be supported which allowed the Councils to produce the evidence they consider to be appropriate. Set within that context it would be helpful to outline the minimum evidence base requirements.

### **2. What changes do you think would support more proportionate consultation and examination procedures for different types of plan and to ensure that different levels of plans work together?**

The proposed change to amend the test of a “sound” plan to demonstrating it sets out “an” appropriate strategy (rather than “the most” appropriate strategy) and tightening the definition of what evidence is required to support a plan will support more proportionate examination procedures. The existing regulations allow for proportionate consultation.

### **3. Do you agree with the proposals to:**

#### **a) Amend national policy so that local planning authorities are expected to have clear policies for addressing the housing requirements of groups with particular needs, such as older and disabled people?**

This approach is supported. Rushmoor Borough Council is already developing policies related to accessibility standards and specialist housing within our emerging Local Plan. We would also be supportive of requirements to ensure new homes are built to accessible and adaptable standards under Building Regulations Part M4 (2) requirements, these homes would have sufficient space to enable residents to meet their day-to-day needs and such homes are also more capable of being adapted to changes in personal circumstances.

#### **b) From early 2018, use a standardised approach to assessing housing requirements as the baseline for five year housing supply calculations and monitoring housing delivery, in the absence of an up-to-date plan?**

A standardised approach to assessing housing requirements is welcomed. However, the introduction of the standardised approach will need to include clear guidelines to explain how those local plans that are at an advanced stage of production will be dealt with. Requiring such plans to take on the new standardised approach could result in considerable delay and costs for the local planning authority concerned. The NPPF should provide a clear definition of what is an up-to-date plan, and no plan should be considered to be out-of-date for a 5 year period after adoption. Without such clarity, the issue of whether a plan is up to date will lead to extensive argument at s78 appeal

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inquiries. A standardised approach should also be introduced to assess requirements of housing of all types for particular groups, including older people and those with physical and/or other disabilities.

**4. Do you agree with the proposals to amend the presumption in favour of sustainable development so that:**

**a) Authorities are expected to have a clear strategy for maximising the use of suitable land in their areas?**

This proposed change is not supported as the proposed statement is open to interpretation. It is likely that the proposed wording will result in protracted discussion at examination, particularly in terms of the meaning of the words 'clear', 'suitable' and 'maximise'.

**b) It makes clear that identified development needs should be accommodated unless there are strong reasons for not doing so set out in the NPPF?**

The proposed amendment is not supported as the existing wording is considered appropriate

**c) The list of policies which the Government regards as providing reasons to restrict development is limited to those set out currently in footnote 9 of the National Planning Policy Framework (so these are no longer presented as examples), with the addition of Ancient Woodland and aged or veteran trees?**

The proposed addition is supported.

**d) Its considerations are re-ordered and numbered, the opening text is simplified and specific references to local plans are removed?**

The proposed change is supported.

**5. Do you agree that regulations should be amended so that all local planning authorities are able to dispose of land with the benefit of consent which they have granted to themselves?**

This is supported as it should assist in bringing forward publicly owned land for development.

**6. How could land pooling make a more effective contribution to assembling land, and what additional powers or capacity would allow local authorities to play a more active role in land assembly (such as where 'ransom strips' delay or prevent development).**



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In general terms this is supported, however, Rushmoor Borough Council has no suggestions regarding additional powers or capacities that may be needed.

7. **Do you agree that national policy should be amended to encourage local planning authorities to consider the social and economic benefits of estate regeneration when preparing their plans and in decisions on applications, and use their planning powers to help deliver estate regeneration to a high standard?**

Yes.

8. **Do you agree with the proposals to amend the National Planning Policy Framework to:**

- a) **Highlight the opportunities that neighbourhood plans present for identifying and allocating small sites that are suitable for housing?**

Yes, but any such allocations should provide some protection to that community from unplanned speculative housing development proposals.

- b) **Encourage local planning authorities to identify opportunities for villages to thrive, especially where this would support services and help meet the authority's housing needs?**

No comment.

- c) **Give stronger support for 'rural exception' sites – to make clear that these should be considered positively where they can contribute to meeting identified local housing needs, even if this relies on an element of general market housing to ensure that homes are genuinely affordable for local people?**

This approach is supported to help the delivery of more affordable housing.

- d) **Make clear that on top of the allowance made for windfall sites, at least 10% of sites allocated for residential development in local plans should be on sites of half a hectare or less?**

Rushmoor Borough Council does not support this proposal. There is likely to be an overlap between windfall sites and the small sites proposed to be allocated for residential development. Furthermore, it will impose a disproportionate resource burden on local planning authorities, particularly as part of the site allocation process the capacity of the small sites would need to be assessed in some detail.

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- e) **Expect local planning authorities to work with developers to encourage the sub-division of large sites?; and**

This measure is supported.

- f) **Encourage greater use of Local Development Orders and area-wide design codes so that small sites may be brought forward for development more quickly?**

Rushmoor Borough Council has worked with developers on a large site allocation, to produce site-wide design codes. The production of design codes, as well as local development orders can be very resource intensive and time consuming for local planning authorities. Furthermore, design codes do not in themselves ensure that development comes forward more quickly.

9. **How could streamlined planning procedures support innovation and high-quality development in new garden towns and villages?**

Rushmoor Borough Council's experience suggests that innovative and high-quality development in major development, such as new garden towns and villages, can best be secured through the planning permission process, supported by design-codes.

10. **Do you agree with the proposals to amend the National Planning Policy Framework to make clear that:**

- a) **Authorities should amend Green Belt boundaries only when they can demonstrate that they have examined fully all other reasonable options for meeting their identified development requirements?**

This is agreed.

- b) **Where land is removed from the Green Belt, local policies should require compensatory improvements to the environmental quality or accessibility of remaining Green Belt land?**

This is supported in principle.

- c) **Appropriate facilities for existing cemeteries should not be regarded as 'inappropriate development' in the Green Belt?**

No comment.

- d) **Development brought forward under a Neighbourhood Development Order**

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should not be regarded as inappropriate in the Green Belt, provided it preserves openness and does not conflict with the purposes of the Green Belt?

No comment.

- e) **Where a local or strategic plan has demonstrated the need for Green Belt boundaries to be amended, the detailed boundary may be determined through a neighbourhood plan (or plans) for the area in question?**

This is agreed.

- f) **When carrying out a Green Belt review, local planning authorities should look first at using any Green Belt land which has been previously development and/or which surrounds transport hubs?**

This suggested approach sounds too simplistic and is not supported. Local planning authorities should be allowed to consider the most appropriate locations for release of land from the Green Belt, taking account of the full range of planning considerations.

11. **Are there particular options for accommodating development that national policy should expect authorities to have explored fully before Green Belt boundaries are amended, in addition to the ones set out above?**

No.

12. **Do you agree with the proposals to amend the National Planning Policy Framework to:**

- a) **Indicate that local planning authorities should provide neighbourhood planning groups with a housing requirement figure, where this is sought?**

Yes.

- b) **Make clear that local and neighbourhood plans (at the most appropriate level) and more detailed development plan documents (such as action area plans) are expected to set clear design expectations; and that visual tools such as design codes can help to provide a clear basis for making decisions on development proposals?**

This proposal is supported.

- c) **Emphasise the importance of early pre-application discussions between applicants, authorities and the local community about design and the types of homes to be provided?**

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This proposal is supported.

- d) Makes clear that design should not be used as a valid reason to object to development where it accords with clear design expectations set out in statutory plans?; and**

This appears rather a simplistic statement given that design is a complex issue to assess. The Council does not support this amendment to the NPPF.

- e) Recognise the value of using a widely accepted design standard, such as Building for Life, in shaping and assessing basic design principles – and make clear that this should be reflected in plans and given weight in the planning process?**

These standards are helpful but in each case design needs to be assessed in the context of the particular site.

- 13. Do you agree with the proposals to amend national policy to make clear that plans and individual development proposals should:**

- a) Make efficient use of land and avoid building homes at low densities where there is a shortage of land for meeting identified housing needs?**

The efficient use of land is supported. The density of development should be driven by the site context and location rather than the availability of land to meet housing needs.

- b) Address the particular scope for higher-density housing in urban locations that are well served by public transport, that provide opportunities to replace low-density uses in areas of high housing demand, or which offer scope to extend buildings upwards in urban areas?**

In principle, higher-density housing development in urban locations that are well served by public transport is supported. However, the density of development should be driven by the site context and this should also be reflected in NPPF. A key issue in assessing the acceptability of extending buildings upwards is the design of the proposed development.

- c) Ensure that in doing so the density and form of development reflect the character accessibility and infrastructure capacity of an area, and the nature of local housing needs?**

This proposal is supported and welcomed.

- d) Take a flexible approach in adopting and applying policy and guidance that could inhibit these objectives in particular circumstances, such as open space provision in areas with good access to facilities nearby?**

This is a very broad-brush statement and should be made more specific if it is to be incorporated into the NPPF. However, it is agreed that there is scope to apply open space provision flexibly in areas where there is good access to existing provision.

- 14. In what types of location would indicative minimum density standards be helpful, and what should those standards be?**

National indicative minimum density standards would not be helpful and the Council objects to their introduction. The appropriate density of any scheme will depend upon a range of factors including the context of the site, the prevailing character and the overall location of a scheme, along with the type of development proposed. The setting of density requirements should be left to local planning authorities through the development of site-specific planning policies or through the development of Area Action Plans or other forms of planning guidance.

- 15. What are your views on the potential for delivering additional homes through more intensive use of existing public sector sites, or in urban locations more generally, and how this can best be supported through planning (using tools such as policy, local development orders, and permitted development rights)?**

This should be left to local planning authorities to assess on a site-specific basis.

- 16. Do you agree that:**

- a) Where local planning authorities wish to agree their housing land supply for a one-year period, national policy should require those authorities to maintain a 10% buffer on their 5 year housing land supply?**

Further explanation on how this mechanism will operate should be published and consulted on before this is brought into operation. The guidance should include recommended minimum requirements for engaging with the development industry and infrastructure providers and provisions for what will happen in the event of one or both of these sectors not engaging in the process. However, maintaining the 10% buffer appears to be a satisfactory requirement given that it is a current requirement of the NPPF.

- b) The Planning Inspectorate should consider and agree an authority's**

### **assessment of its housing supply for the purpose of this policy?**

Further detail is required to understand how this proposal would work.

- c) If so, should the Inspectorate's consideration focus on whether the approach pursued by the authority in establishing the land supply position is robust, or should the Inspectorate make an assessment of the supply figure?**

The role of the Planning Inspectorate should be confined to establishing that the land supply position is robust.

- 17. In taking forward the protection for neighbourhood planning as set out in the Written Ministerial Statement of 12 December 2016 into the revised NPPF, do you agree that it should include the following amendments:**

- a) A requirement for the neighbourhood plan to meet its share of housing need?**

In principle, this proposal appears to be reasonable.

- b) That it is subject to the local planning authority being able to demonstrate through the housing delivery test that, from 2020, delivery has been over 65% (25% in 2018; 45% in 2019) for the wider authority area?**

In principle, this proposal appears to be reasonable.

- c) Should it remain a requirement to have site allocations in the plan or should the protection apply as long as housing supply policies will meet their share of local housing need?**

The protection should apply as long as the neighbourhood plan development strategy and housing policies will meet the fair share of the local housing need.

- 18. What are your views on the merits of introducing a fee for making a planning appeal? We would welcome views on:**

- a) How the fee could be designed in such a way that it did not discourage developers, particularly smaller and medium sized firms, from bringing forward legitimate appeals;**

A scale of fees based on size of development could address this.

- b) The level of the fee and whether it could be refunded in certain circumstances, such as when an appeal is successful; and**

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The level of fee should address the administrative costs of dealing with an appeal. The refund of fees is not supported.

**c) Whether there could be lower fees for less complex cases.**

This would be difficult to introduce and may add to the administrative burden.

**19. Do you agree with the proposal to amend national policy so that local planning authorities are expected to have planning policies setting out how high quality digital infrastructure will be delivered in their area, and accessible from a range of providers?**

Rushmoor Borough Council has emerging policies to support the delivery of high quality digital infrastructure, however, this can only be delivered with the full cooperation of broadband suppliers. It is not clear how local planning authorities would have the powers to deliver this requirement.

**20. Do you agree with the proposals to amend national policy so that:**

- **The status of endorsed recommendations of the National Infrastructure Commission is made clear?; and**
- **Authorities are expected to identify the additional development opportunities which strategic infrastructure improvements offer for making additional land available for housing?**

Yes, subject to an assessment of the deliverability of the development opportunities.

**21. Do you agree that:**

**a) The planning application form should be amended to include a request for the estimated start date and build out rate for proposals for housing?**

Yes, this information would be helpful.

**b) That developers should be required to provide local authorities with basic information (in terms of actual and projected build out) on progress in delivering the permitted number of homes, after planning permission has been granted?**

Yes, this information would be helpful for monitoring housing delivery.

**c) The basic information (above) should be published as part of Authority Monitoring Reports?**

Yes.

**d) That large housebuilders should be required to provide aggregate information on build out rates?**

For consistency in monitoring development delivery, information by planning application site is preferred.

**22. Do you agree that the realistic prospect that housing will be built on a site should be taken into account in the determination of planning applications for housing on sites where there is evidence of non-implementation of earlier permissions for housing development?**

The decision on a planning application should remain informed by its conformity with the NPPF, the development plan and any other material considerations. The definition of “realistic prospect” would need to be set out clearly if this approach were to be pursued in order to avoid lengthy legal arguments and planning appeals.

**23. We would welcome views on whether an applicant’s track record of delivering previous, similar housing schemes should be taken into account by local authorities when determining planning applications for housing development.**

It is considered inappropriate to take an applicant’s track record into account. There would be nothing to prevent an applicant gaining planning consent and then selling the consent to a developer with a poor track record.

**24. If this proposal were taken forward, do you agree that the track record of an applicant should only be taken into account when considering proposals for large scales sites, so as not to deter new entrants to the market?**

It is considered inappropriate to take an applicant’s track record into account. There would be nothing to prevent an applicant gaining planning consent and then selling the consent to a developer with a poor track record.

**25. What are your views on whether local authorities should be encouraged to shorten the timescales for developers to implement a permission for housing development from three years to two years, except where a shorter timescale could hinder the viability or deliverability of a scheme? We would particularly welcome views on what such a change would mean for SME developers.**

Agreed. Rushmoor Borough Council already grants planning permission for one



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year to reflect the need to allocate mitigation for the impact on the Thames Basin Heaths Special Protection Area.

- 26. Do you agree with the proposals to amend legislation to simplify and speed up the process of serving a completion notice by removing the requirement for the Secretary of State to confirm a completion notice before it can take effect?**

The removal of this requirement is welcomed.

- 27. What are your views on whether we should allow local authorities to serve a completion notice on a site before the commencement deadline has a lapsed, but only where works have begun? What impact do you think on lenders' willingness to lend to developers?**

This proposal is supported. The impact on lenders is not known.

- 28. Do you agree that for the purposes of introducing a housing delivery test, national guidance should make clear that:**

- a) The baseline for assessing housing delivery should be a local planning authority's annual housing requirement where this is set out in an up-to-date plan?**

This is an acceptable approach.

- b) The baseline where no local plan is in place should be the published household projections until 2018/19, with the new standard methodology for assessing housing requirements providing the baseline thereafter?**

This is an acceptable approach.

- c) Net annual housing additions should be used to measure housing delivery?**

Yes, net annual completions should be the standard form of measuring housing delivery.

- d) Delivery will be assessed over a rolling three year period, starting with 2014/15 - 2016/17?**

This is an acceptable approach.

- 29. Do you agree that the consequences for under-delivery should be:**

- a) From November 2017, an expectation that local planning authorities**

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prepare an action plan where delivery falls below 95% of the authority's annual housing requirement?

- b) From November 2017, a 20% buffer on top of the requirement to maintain a five year housing land supply where delivery falls below 85%?
- c) From November 2018, application of the presumption in favour of sustainable development where delivery falls below 25%;
- d) From November 2019, application of the presumption in favour of sustainable development where delivery falls below 45%?; and
- e) From November 2020, application of the presumption in favour of sustainable development where delivery falls below 65%?

Local planning authorities should be able to demonstrate that if the shortfall is due to circumstances outside their control (e.g. a national or international economic downturn), and they have made every positive effort to ensure that housing in their area is delivered, then the presumption in favour of sustainable development should not be applied. Rushmoor Borough Council recognises, however, that local planning authorities should still be required to actively seek to maximise housing delivery.

### **30. What support would be most helpful to local planning authorities in increasing housing delivery in their areas?**

In Rushmoor Borough Council a key impact on the delivery of new homes is the availability of Suitable Alternative Green Space to mitigate the impacts of new housing development on Thames Basin Heaths Special Protection Area. Support to facilitate the provision of new Suitable Alternative Natural Green Space would be helpful. The Council welcomes the Government's intentions to support local authorities in delivering new homes.

### **31. Do you agree with our proposals to:**

- a) **Amend national policy to revise the definition of affordable housing as set out in Box 4?**

The expansion of the definition of affordable housing will increase housing choice but will dilute the ability of the Council to meet housing need for the most disadvantaged groups. Further information is required to assess the acceptability of the proposed changes to the definition of affordable housing. The proposed provisions are not entirely clear. For example, under 'social rented and affordable rented housing' it states that 'affordable housing should remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision'; but it does not say this under the Affordable Housing or Starter Homes headings. The Council considers that any housing to be defined as affordable housing needs to meet this requirement, to help meet both current and future needs.

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In addition, the way 'Intermediate Housing' is worded suggests that Affordable Rent could also be considered as a form of intermediate housing: 'discount market sales etc and other housing that meets the following criteria: housing that is provided for ...rent at a cost above social rent, but below market levels'.

Although Starter Homes may have a role in the housing market, they should not be included as a form of affordable housing which can be delivered in place of other forms of affordable housing tenure if they are not to be treated as affordable housing in perpetuity.

### **b) Introduce an income cap for starter homes?**

If Starter Homes are to be a form of affordable housing then an income cap is essential to prevent homes being bought by purchasers who could otherwise buy on the open market. There needs to be clear monitoring systems in place to ensure that developers only offer Starter Homes to eligible households.

### **c) Incorporate a definition of affordable private rent housing?**

There is scope to include affordable private rent housing as a form of affordable housing, provided it remains affordable in perpetuity, and it is provided as part of a wider range of affordable housing types and tenures at different price levels to meet locally assessed needs. However, in the South East, 20% below market rent is still unaffordable to many; an issue compounded by recent welfare reforms and Local Housing Allowance rates falling well short of private rents.

The 20% below market rent is not just an issue for those on benefits. If private rent is to help ease the housing crisis and meet housing need, then it needs to be truly affordable in relation to local incomes, based on a robust local affordability assessment. It is also important that, as proposed in the White Paper, longer term tenancies are available to enable households to settle and in the interests of sustainable communities. Longer-term tenancies should also be promoted and/or incentivised for some existing private rented homes. Although we support proposals to ban letting agency fees, more also needs to be done to improve affordability, security of tenure and standards in existing private rented homes.

### **d) Allow for a transitional period that aligns with other proposals in the White Paper (April 2018)?**

Agreed.

## **32. Do you agree that:**

### **a) National planning policy should expect local planning authorities to seek a minimum of 10% of all homes on individual sites for affordable home ownership products?**

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The percentage of homes on individual sites provided as affordable home ownership should be based on local circumstances, local assessment of need, nature and location of the site.

- b) That this policy should only apply to developments of over 10 units or 0.5 ha?**

This policy approach is supported and it is noted that the threshold is amended from the existing 11 unit threshold.

- 33. Should any particular types of residential development be excluded from this policy?**

No minimum percentage of homes provided for affordable home ownership should be imposed on individual sites, as any approach should be based on local needs and circumstances. If the policy is introduced, then there should be some exclusions, e.g. supported housing with special design features for vulnerable people, including hostel accommodation and care homes.

- 34. Do you agree with the proposals to amend national policy to make clear that the reference to the three dimensions of sustainable development, together with the core planning principles and policies at paragraph 18-219 of the National Planning Policy Framework, together constitute the Government's view of what sustainable development means for the planning system in England?**

The Councils consider that the NPPF is sufficiently clear in respect of sustainable development.

- 35. Do you agree with the proposals to amend national policy to:**

- a) Amend the list of climate change factors to be considered during plan-making, to include reference to rising temperatures?**

This change is supported.

- b) Make clear that local planning policies should support measures for the future resilience of communities and infrastructure to climate change?**

This change is supported.

- 36. Do you agree with these proposals to clarify flood risk policy in the National Planning Policy Framework?**

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This change is supported.

- 37. Do you agree with the proposal to amend national policy to emphasise that planning policies and decisions should take account of existing businesses when locating new development nearby and, where necessary, to mitigate the impact of noise and other potential nuisances from existing development?**

This change is supported.

- 38. Do you agree that in incorporating the Written Ministerial Statement on wind energy development into paragraph 98 of the National Planning Policy Framework, no transition period should be included?**

No comment.

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### Consultation Response to the Governments' Planning and Affordable Housing for Build to Rent

1. Please provide your name and contact details in the box provided, and identify whether you are responding as (please tick one):

A private Individual  
On behalf of an organisation ✓

Qamer Yasin, Head of Environmental Health and Housing, Rushmoor Borough Council, Council Offices, Farnborough Road, Farnborough, GU14 7JU  
Tel: 01252 398640  
Email: qamer.yasin@rushmoor.gov.uk

2. If you are responding as a private individual, please identify in what capacity you are replying and whether your main interest is as:

A person living in private accommodation  
A person living in affordable housing  
A private landlord  
Other (please specify)

3. If you are responding on behalf of an organisation, please identify in what capacity you are replying and the main interest of your organisation

An investor in Build to Rent schemes  
A developer of Build to Rent homes  
A lender to the Build to Rent schemes  
A supplier of management and/or other services to Build to Rent homes  
Other private landlord  
Social Landlord, (either registered provider or local authority)  
A developer or other representative body  
Local Authority ✓  
Other (please specify)

4. Please specify the part(s) of England in which you live, or your organisation's activities (or members) are principally located (you may tick more than one):

London  
South East ✓  
East of England

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South West  
East midlands  
West Midlands  
Yorkshire and Humber  
North East  
North West  
Other (please specify)

5. **Do you consider there are market and regulatory failures impeding the rapid development of the Build to Rent market that merit national policy intervention?**

Policy emphasis towards Build to Rent will undoubtedly encourage delivery of this product. Government policies should consider the impact to the existing house building market, including competition for sites and therefore land values, as well as impact to supply chains.

6. **Do you agree with the proposal to refer explicitly to Build to Rent in the National Policy Planning Framework?**

Yes

7. **Do you think that Government should set a policy expectation on Affordable Private Rent?**

No, we feel that this should be locally determined to ensure we have the right balance of affordable housing products to meet the housing needs and aspirations of our communities.

8. **Will a policy expectation in the National Planning Policy Framework send a sufficiently strong signal to support Affordable Private Rent as the main vehicle for affordable housing in Build to Rent?**

Yes

9. **Do you consider that Affordable Private Rent could play a useful role in the delivery of affordable housing in the area (s) where you operate?**

Yes, providing it is genuinely affordable and accessible to our residents who are in housing need.

10. **Do you consider that the efficiencies arising through on site provision of Affordable Private Rent can materially improve the viability of Build to Rent compared to other affordable housing tenures?**

This would depend on whether the discounted rents are inclusive of service charges. If they are not they would be more financially attractive and improve viability, although less affordable for tenants. If they are inclusive of service

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charges then the efficiencies are likely to be similar to tenure blind affordable housing delivery on sites through S106 agreements. Comprehensive Development Appraisals would be needed to evaluate efficiency savings.

**11. Do you consider that there could be unintended consequences of Affordable Private Rent if it is accepted as a form of affordable housing?**

Yes. If it is more financially attractive, it could undermine the role of Registered Providers in the delivery and management of general needs and specialist/ supported housing. This could be mitigated if the local authority is able to influence rent levels in the interests of properly meeting local housing needs. In these circumstances Affordable Private Rent could make a valuable contribution.

It is unclear how Institutional Investors will be regulated and be able to fulfill the wider role of RP's in supporting vulnerable people and engaging in multi-agency working.

**12. If your answer to Q11 is yes, would these consequences be mitigated by limiting Affordable Private Rent only to Build to Rent schemes?**

Yes we believe it would be best to confine Affordable Private Rent to Build to Rent schemes until it can be proven that it can meet the full range of local housing needs. Allowing traditional affordable housing tenures on other sites would be a helpful benchmark to assess the merits of Affordable Private Rent.

**13. Do you think it is reasonable for Planning Authorities to specify minimum tenancy lengths in Build to Rent schemes? Please add your reasons, and give examples of such agreements where appropriate.**

Whilst it would establish a precedent and make clear what a Local Authorities expectations are it should be noted that local planning authorities do not have the resources to monitor tenancy lengths.

**14. Do you agree that Build to Rent tenancies should be for at least three years (with a one month break option for the tenant after the first 6 months), for all customers in the development who want one?**

Yes, it will help to give people stability and encourage sustainable neighbourhoods. A mix of tenancy lengths will support the needs of different groups of people.

**15. Does the definition of Build to rent set out on page 20 capture all of the appropriate elements? (If not, please state why, and what criteria should apply).**

No, we do not think that there is enough information around management standards and redress for tenants if there are issues. It is not clear what professionally managed stock means and there is no clarification on space standards.



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- 16. Do you agree that the National Planning Policy Framework should put beyond doubt that Affordable Private Rent qualifies as affordable housing in Build to rent Schemes?**

Yes, but only if it can clearly demonstrate that it is meeting local, affordable housing need.

- 17. Do you agree with the proposed definition of Affordable Private Rent set out on page 21? (If not please state why and what criteria should apply)**

No. It should also include that, "*it is provided to eligible households whose needs are not met by the market*".

- 18. The government intends to set the parameters of Affordable Private rent as:**
- **A minimum of 20 percent of the homes to be discounted**
  - **The discount to be set to a minimum of 20 percent relative to the local market**
  - **An offer of longer tenancies of three years or more**
  - **The discount to apply indefinitely (subject to claw- back arrangement if Affordable Private Rent homes are withdrawn).**

**Taken as a whole, are these parameters**

- (i) reasonable;**
- (ii) too onerous;**
- (iii) insufficient?**
- (iv) Don't know**

**Which, if any of them would you change and why?**

The first two points should be set at the local level.

Longer tenancy lengths are likely to be positive for households.

How will tenancy lengths be monitored/ enforced?

A range of tenancy lengths would be better.

The claw back arrangements are simple, however, in our opinion the 20% of market value is insufficient to provide a replacement property.

- 19. Should the parameters for Affordable Private Rent appear on the face of the national Planning Policy Framework or within the Planning Practice Guidance?**

National Planning Practice Guidance

- 20. The Government is minded to leave determination of eligibility and nomination criteria for Affordable Private Rent to negotiation between developer and the local authority. Do you support this position? Will it affect take up of the policy? Please give your reasons.**

Local Authorities will want to be able to secure nominations rights to the Affordable Private Rent properties and to apply their own allocations policy / eligibility criteria. This will mean that people in greatest housing need are allocated to Affordable Private Rented properties, if investors are not happy with this it will impact on the

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take up of the policy.

- 21. The Government considers there is no need or a fixed minimum covenant period, so long as appropriate claw-back arrangements are provided for. Do you agree?**

No, we feel there should be a minimum period set to ensure that this product is not used as a short mechanism to tick the box of providing Affordable Homes.

- 22. Do you think Government should (a) prescribe the basis for calculating the amount of claw- back; (b) set a possible basis for calculating the amount of claw-back in guidance, or (c) leave the amount of claw-back to be agreed between the local authority and the applicant?**

- a. The Government should prescribe the basis for calculating the amount of claw-back.

- 23. Should the Government's Build to Rent and Affordable Private Rent Policy be identical across the whole of England, or does it need to be set differently between London and the rest of England? If it should be set differently, please use the comments box to tell us how and why the policy should vary in London from the rest of England**

We don't know, London should have to make a case for a different approach.

- 24. Would it be helpful for Government to produce model clauses (which would not be mandatory) that could be used in S106 agreements to give effect to Affordable Private Rent?**

Yes, it would provide a consistent approach across the county, which would be helpful to national investors.

- 25. Is a transitional period of 6 months appropriate for the introduction of the policy? (If not why not).**

No, we believe a year would be a more realistic timeframe to roll out such an important new policy.

- 26. Does the summary Equalities Statement in Annex A represent a fair assessment of the equalities impacts of the policy proposals in this consultation? Please provide any further evidence on this issue including how any negative impacts might be minimized and positive impacts enhanced.**

Yes