



Dear Councillor,

CENTRAL LANCASHIRE STRATEGIC PLANNING JOINT ADVISORY COMMITTEE - MONDAY, 27TH JUNE 2016

The next meeting of the Central Lancashire Strategic Planning Joint Advisory Committee to be held in the Council Chamber, Town Hall, Chorley on Monday, 27th June 2016 at 5.30 pm. Entrance to the Town Hall during the evening can be gained from the doors on St Thomas's Road, opposite the Police Station.

The agenda and accompanying reports for consideration at the meeting are enclosed.

The agenda papers are being sent to both appointed and substitute Members. Any appointed Member who cannot attend on 27 June 2016 is asked to first contact their substitute to see if he or she can attend instead. Then please contact Cathryn Filbin by telephone or email at the address below to give their apology with an indication of whether the substitute Member will attend.

Yours sincerely

Gary Hall
Chief Executive of Chorley Council

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Democratic and Member Services Officer
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Distribution

All members of the Central Lancashire Strategic Planning Joint Advisory Committee

Councillors

Councillors Alistair Bradley (Chorley Council), Paul Walmsley (Chorley Council), Martin Boardman (Chorley Council), Councillor John Swindells (Preston City Council), Neil Cartwright (Preston City Council), Councillor John Potter (Preston City Council), Councillor Joseph Hughes MBE (South Ribble Borough Council), Jon Hesketh (South Ribble Borough Council), Rebecca Noblet (South Ribble Borough Council) and County Councillor Marcus Johnstone (Lancashire County Council).

Substitute Councillors:

Roy Lees (Chorley Council), Christopher France (Chorley Council), Paul Leadbetter (Chorley Council), Councillor Pauline Mary Brown (Preston City Council), Brian Rollo (Preston City Council), Councillor Lona Smith (Preston City Council), Councillor Margaret Smith (South Ribble Borough Council), Mike Nelson (South Ribble Borough Council), County Councillor David Borrow (Lancashire County Council) and County Councillor David Howarth (Lancashire County Council)

Officers:

Gary Hall (Chief Executive, Chorley Council), Peter McAnespie (Principal Planning Officer), Cathryn Filbin (Democratic and Member Services Officer), Nina Neisser, Chris Moister (Head of Legal, Democratic & HR Services), Mike Molyneaux (Planning Policy Manager, Preston City Council), Chris Hayward (Assistant Director (Chief Planning Officer), Preston City Council), Mike Nuttall (Chief Executive, South Ribble Borough Council), Jonathan Noad (South Ribble Borough Council), Marcus Hudson (Head of Planning, Lancashire County Council), Steve Browne (Director of Strategy and Policy, Lancashire County Council), Zoe Whiteside (Development and Regeneration Manager) and Ruth Rimmington (Democratic and Member Services Officer).

AGENDA

1 **Appointment of Chair for the Meeting**

2 **Welcome by Chair and Introductions**

3 **Apologies for absence**

4 **Notification of Substitute Members (if any)**

5 **Minutes of the last meeting (Pages 5 - 8)**

To confirm the minutes of a meeting of the Central Lancashire Strategic Planning Joint Advisory Committee, held on 26 November 2015, as a correct record.

6 **Housing and Planning Act 2016 (Pages 9 - 16)**

Report enclosed.

7 **Gypsy and traveller SPD**

A verbal update will be given on this item.

8 **Full Objectively Assessed Housing Needs and Strategic Housing Market Assessment (Pages 17 - 20)**

Report enclosed.

9 **Affordable Housing Supplementary Planning Document (Pages 21 - 24)**

Report enclosed.

10 **City Deal Update**

A verbal update will be given on this item.

11 **Any other item(s) that the Chair decides is/are urgent**

12 **Dates of Future Meetings**

The next meeting will be held on Thursday, 29 September 2016 at 5.30pm at South Ribble Borough Council offices.

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Central Lancashire Strategic Planning Joint Advisory Committee

Central Lancashire Strategic Planning Joint Advisory Committee 26 November 2015

Present:

Councillor A Bradley	– Chorley Borough Council
Councillor R Lees	– Chorley Borough Council
Councillor Muncaster	– Chorley Borough Council
Councillor N Cartwright	– Preston City Council
Councillor B Rollo	– Preston City Council
Councillor J Hesketh	– South Ribble Borough Council
Councillor J C Hughes, MBE	– South Ribble Borough Council
County Councillor M Johnstone	– Lancashire County Council

Also in attendance:

Officers:

Mr G Hall	– Chief Executive (Chorley Borough Council)
Ms J Moore	– Head of Strategic Development (Chorley Borough Council)
Mr P McAnespie	– Policy and Design Team Leader (Chorley Borough Council)
Mr M Molyneux	– Planning Policy Manager (Preston City Council)
Mrs D Johnson	– Director of Development, Enterprise and Communities (South Ribble Council)
Mr J Noad	– Planning Manager (South Ribble Borough Council)
Mr S Brown	– Central Lancashire LDF Co-ordinator
Mr J Wallwork	– Democratic Services Officer (South Ribble Borough Council)
Mr M Hudson	– Head of Planning (Lancashire County Council)

38. Appointment of Chair for the Meeting

RESOLVED: That Councillor Hughes be appointed Chairman for the meeting.

Central Lancashire Strategic Planning Joint Advisory Committee

39. **Welcome by the Chair and Introductions**

The Chairman, Councillor Hughes, welcomed those present to the meeting.

40. **Apologies for absence**

An apology for absence was submitted on behalf of Councillor Walmsley.

41. **Confirmation of Minutes - 28 July 2015**

UNANIMOUSLY RESOLVED:

That the minutes of the Central Lancashire Strategic Planning Joint Advisory Committee meeting held on 28 July 2015 be approved as a correct record and signed by the chairman.

42. **Housing and Planning Bill**

Mike Molyneux introduced the report on the provisions of the Housing and Planning Bill and the potential implications for the delivery of local planning policies in Central Lancashire. He stated that one of the implications was that if developers provided starter homes to be sold at a discount of at least 20% of the market value, it would be difficult for developers to offer the purchaser any further discounts. He also mentioned that the bill promoted developing brownfield sites within the green belt which could have an implication mainly for Chorley and South Ribble.

Jenni Moore referred to the Local Development Orders and that councils should not underestimate the amount of work involved. She suggested that a model order could be produced.

UNANIMOUSLY RESOLVED:

That the report be noted.

43. **Progression of Central Lancashire Gypsy, Traveller and Travelling Showpeople Local Plan**

Peter McAnespie introduced a report on a proposed revised timetable for the progression of the Central Lancashire Gypsy, Traveller and Travelling Showpeople Local Plan.

UNANIMOUSLY RESOLVED:

That the report be noted.

Central Lancashire Strategic Planning Joint Advisory Committee

44. Annual Monitoring Report

Mike Molyneux introduced a report on the monitoring of the delivery of key performance indicators as set out in the Central Lancashire Core Strategy.

Steven Brown referred to page 4 of the Annual Monitoring Report and in particular the Value of Developer Contributions Collected figure for South Ribble and that this was actually zero. However, he indicated that £195,000 had been collected since April 2015.

Jonathan Noad referred to the Employment Land Take-Up for South Ribble and that although the figure was zero the position was healthy as there had been activity in the borough since April 2015.

Councillor Hughes questioned the monitoring of road traffic volume for the A6 South Ribble Way, South of A582 Lostock Hall, Bamber Bridge and that the report indicated that the location would no longer be monitored. Marcus Hudson reassured the councillor that as this was a prominent location they would be still be taking a great deal of interest in the site.

Councillor Bradley also questioned the monitoring of road traffic volume for the B5256 Sheep Hill Lane, East of Cuerden Valley Park, Clayton-le-Woods and that he was surprised that the figure for 2015 had significantly reduced. He was informed that this was the data recorded for that location.

UNANIMOUSLY RESOLVED:
That the report be noted.

45. Any Other Business

(a) City Deal

Marcus Hudson provided an update on the City Deal and the current position in respect of the following schemes:

- Broughton By-pass – Preliminary work was expected to commence prior to Christmas. An exhibition detailing the proposed designs would be held on 12 December 2015 at Broughton Club between 9.30 and 12.30.
- Preston Western Distributor – A consultation event would be held in the New Year to publicise the proposals for the East/West Link Road.
- A582 South Ribble – Works had now been completed at the Stanifield Lane roundabout and work had commenced at the Penwortham Way/Flensburg Way roundabout. Dualling work on Golden Way had been delayed but was hoped to be completed in the New Year.

Central Lancashire Strategic Planning Joint Advisory Committee

- Public Transport Priority Corridors – Works would soon be commencing to the Public Transport Priority Corridors in Bamber Bridge and on New Hall Lane, Preston.

In response to a question from Councillor Hesketh, Marcus Hudson confirmed that surveys had commenced on land in Hutton concerning the Ribble Bridge Crossing. Any landowners should have been contacted concerning access to their land.

(b) Review of Community Infrastructure Levy (CIL)

Steven Brown indicated that the Government had recently launched a review into CIL and that it would publish the findings in April 2016.

UNANIMOUSLY RESOLVED:

That the updates be noted.

46. Date of Next Meeting - 3 March 2016 - Preston City Council

The next meeting would be held on Thursday 3 March 2016 at 5.30pm at Preston City Council.



Report of	Meeting	Date
Director of Development, Preston City Council	Central Lancashire Strategic Planning Joint Advisory Committee	27 June 2016

HOUSING AND PLANNING ACT 2016

PURPOSE OF REPORT

1. To advise members of the Joint Advisory Committee on the content of the Housing and Planning Act.

RECOMMENDATION(S)

2. The Joint Advisory Committee is recommended to note the contents of this report.

EXECUTIVE SUMMARY OF REPORT

3. Members have previously been advised of the Housing and Planning Bill being prepared by the government (JAC November 2015). The Housing and Planning Act was passed on 13th May 2016. This report summarises the content of the Act.

REASONS FOR RECOMMENDATION(S)

4. To advise member of the Joint Advisory Committee on the changes to legislation.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. N/A

BACKGROUND

6. The Housing and Planning Bill received Royal Assent on 13 May 2016, having taken seven months to make its way through both Houses of Parliament. It was the subject of many proposed amendments in the House of Lords but these resulted in relatively few changes. The details of many of the Act's provisions will only emerge once the Secretary of State issues regulations.
7. The Act is lengthy, containing over 200 clauses and covers the following:
 - Part 1 – New homes in England covering starter homes and self-build & custom housing
 - Part 2 – Measures to address rogue landlords and letting agents

- Part 3 – Recovering abandoned premises
- Part 4 – Social housing provision
- Part 5 – Other changes to legislation regarding housing, estate agents and rentcharges
- Part 6 – Planning
- Part 7 – Compulsory Purchase
- Part 8 – Public Authority Land
- Part 9 – Other general provisions including transitional and consequential provisions.

8. The Queen’s Speech on 18 May 2016 announced a Neighbourhood Planning and Infrastructure Bill 2016-17 which will include some further planning reforms.
9. A Local Plans Expert Review Group was set up in September 2015 by ministers to examine what measures or reforms might be helpful in ensuring the efficient and effective production of Local Plans. The Group has made a number of proposals to speed up and simplify the process of making Local Plans which were presented in a report to ministers on 16 March 2016. These proposals have been subject to a period of consultation. The Government will respond to the Group’s recommendations in due course (although broad support was expressed in the 2016 Budget).
10. In its December 2015 “*Consultation on proposed changes to national planning policy*” the Government proposed a number of changes to the NPPF, with the intention of better supporting the development of housing on certain types of land (particularly brownfield land).
11. The March 2016 Budget made a number of proposed changes related to planning, including support for the development of Garden Villages and Towns, and support for the recommendations of the Local Plans Expert Group
12. The Act is intended to support the delivery of the Government’s commitments as put forward in the Conservative party manifesto and the Productivity Plan *fixing the foundations: creating a more prosperous nation*. In particular these relate to providing more housing ‘that people can afford’, increasing home ownership and improving housing management.
13. Many of the planning provisions in the Act have not yet come into force, but when it does it contains provisions to:
 - Place a general duty on all planning authorities to promote the supply of Starter Homes and to require a certain number or proportion of Starter Homes on site;
 - Allow intervention by the Secretary of State over the production of local plans where local authorities are judged to be too slow; and
 - Create a system of planning permission in principle for housing.
14. The following sections of the Act on planning came into force from the day the Act received Royal Assent:
 - Local planning authority duty to keep a register of particular kinds of land;
 - The setting of fees for planning applications;
 - Processing of planning applications by alternative providers; and
 - Urban development corporations.
15. The other planning provisions in the Act are not yet in force.

Starter Homes – providing a statutory framework for the delivery of starter homes

16. The Act will put into legislation the Government's commitment to provide a number of Starter Homes, sold at a discount, for first-time buyers under the age of 40. Starter homes are to be new dwellings, sold at a discount of at least 20% of market value subject to a price cap of £250,000 outside Greater London (£450,000 within Greater London). The Act puts a general duty on all planning authorities to promote the supply of Starter Homes, and provides a specific duty, which will be determined in later regulations, to require a certain number or proportion of Starter Homes on site.
17. On 23 March 2016 the Government published a "*Starter Homes regulations: technical consultation*" which closed on 18 May 2016. The consultation asked for views on the details of the regulations to be made under the then Housing and Planning Bill, including proposals for a new requirement of 20% of new homes to be provided as starter homes on sites above a specified size.
18. This has been the most contentious proposals as the then Bill was debated with many amendments being put forward in the House of Lords. The principal concerns were that this new form of tenure will squeeze out affordable rent and shared ownership products. After a period of Parliamentary "ping-pong" these amendments were rejected by the Commons on the ground that it would undermine the delivery of starter homes. The details of the policy will not emerge until the regulations are issued.

Self-build and custom housebuilding –requiring local authorities to meet demand for custom-built and self-built homes by granting permissions for suitable sites

19. The Act adds to and amends the Self-build and Custom Housebuilding Act 2015, which requires local authorities to keep, and have regard to, registers of people seeking land for self-build and custom housebuilding. The Act requires local authorities to grant sufficient suitable development permissions on serviced plots of land to meet the demand for self-build and custom housebuilding in their area, based on the register. Draft guidance was published by the Government in February 2016.
20. To comply with the Act, the Councils now maintain a register. The interest shown thus far in terms of those asking to be included on the register has been fairly modest.

PART 6: PLANNING IN ENGLAND**Neighbourhood planning – simplifying and speeding up the neighbourhood planning process to support communities that seek to meet local housing and other development needs through neighbourhood planning**

21. The Act will introduce measures designed to speed-up and simplify the neighbourhood planning system. It gives the Secretary of State powers to set certain time limits for parts of the process of making a neighbourhood development plan or order. It also allows the Secretary of State to intervene in the process if local authorities are not using their neighbourhood planning powers within these prescribed limits (detailed in the "*Implementation of planning changes; technical consultation*"). The Act will allow the Secretary of State to intervene if a LPA is failing or omitting to do anything it is necessary for them to do in connection with the preparation, revision or adoption of a neighbourhood plan.

Local planning – giving the Secretary of State further powers to intervene if Local Plans are not effectively delivered

22. With the aim of encouraging more local authorities to have a local plan in place, the Act gives the Secretary of State greater powers to intervene in the local plan making process. Specifically, it would allow the Secretary of State to intervene if a local authority was failing or omitting to do anything it is necessary for them to do in connection with the preparation, revision or adoption of a local plan. The Government's *Implementation of planning changes: technical consultation* proposes to prioritise Government intervention where:
- There is under-delivery of housing in areas of high housing pressure.
 - The least progress in plan-making has been made.
 - Plans have not been kept up to date.
 - Intervention will have the greatest impact in accelerating local plan production.
23. While the Secretary of State already has default powers in relation to the preparation or revision of a local plan, this extends that power to enable the Secretary of State to direct local authorities to prepare one within a specified timeframe.

Local registers of land and permission in principle – creating a duty for local authorities to hold a register of various types of land, with the intention of creating a register of brownfield land to facilitate unlocking land to build new homes; and giving housing sites identified in the brownfield register, local and neighbourhood plans planning permission in principle, and providing an opportunity for applicants to obtain permission in principle for small scale housing sites

24. With a view to enabling more housing to be built on brownfield land the Act introduces a new duty for local authorities to keep a register of brownfield land within its area. This will then tie in with a new system of allowing the Secretary of State to grant "planning permission in principle" (or "PIP") for housing on sites identified in these registers. PIP would then have to be combined with a new "technical details consent" granted by the local authority before development could go ahead.
25. In its *Implementation of planning changes; technical consultation* the Government proposed that there should be three "qualifying documents" that would be capable of PIP. These are: future local plans; future neighbourhood plans; and brownfield registers. PIP granted from these documents would last for five years. It is also proposed that applicants for minor development should be able to apply for permission in principle on application. The consultation proposed that the "in principle matters" should relate to the location, the uses and the amount of development on a particular site. It is understood that PPIP will not be conferred on current local plan housing allocations.
26. In relation to the registers of brownfield land, the consultation proposed that a "key component" of the evidence base for this work would be the local authority's Strategic Housing Land Availability Assessment process. The definition of brownfield would be that land which meets the definition of "previously developed land" as defined in Annex 2 of the NPPF. Sites would also be assessed against specific criteria that will be set out in regulations to ensure that they are suitable for housing. The Government expects the register to be updated on an annual basis. The consultation restated the Government's aim to ensure that 90% of suitable brownfield sites have planning permission for housing by 2020. It also made clear the Government's intention to introduce measures to ensure that progress is made against this target by local authorities. Specifically it proposed that local planning authorities that had failed to make sufficient progress against the brownfield objective would be unable to claim the existence of an up-to-date five year housing supply when considering applications for brownfield development, and therefore the NPPF's presumption in favour of sustainable development would apply. The presumption means that planning permission should be granted unless "any adverse impacts of doing so would

significantly and demonstrably outweigh the benefits [...] or specific policies in this Framework indicate that development should be restricted.” (NPPF para. 14).

27. Preston City Council and South Ribble Borough Council have successfully bid to become part of the Government’s “Brownfield Register Pilot Project”. This is intended to be a partnership of local authorities and the Government to shape and develop the policy, so that the experiences of pilot authorities will feed into the development of secondary legislation and guidance to support local planning authorities more widely. The Councils are therefore preparing a register and expect to publish it by the end of June 2016. Pilot authorities will not be expected to grant PIP as part of this project, although the Government expects local planning authorities to take a positive and proactive approach when considering granting permission for sites included on their registers.
28. The introduction of PIP represents a shift towards a “zoning” type of planning (common in the US and part of Europe) and away from the more flexible, discretionary approach of the British planning system (which allows unforeseen matters to be taken into account in determining whether planning consent should be granted).
29. A further process involving the grant of a “technical details consent” for development proposals which benefit from a permission in principle will permit the local planning authority to impose conditions which control the permitted development. Taken together the permission in principle and technical details consent will be similar to outline planning permission and reserved matters approvals.
30. Permission in principle can be granted through a development order or on application.

Planning permission etc – levelling up the power which enables conditions to be attached to development orders for physical works so that they are consistent with those for change of use; extending the planning performance regime to apply to smaller applications; and putting the economic benefits of proposals for development before local authority planning committees

31. This part of the Act amends an existing power in section 60 of the Town and Country Planning Act 1990 under which planning permission may be granted by a development order subject to conditions or limitations i.e. “permitted development rights”. The Act would allow a prior approval process to be introduced for building operation permitted development rights and other development orders. The idea is to allow local planning authorities greater scope to take into account local conditions and sensitivities before these rights can be used.
32. It also extends the Secretary of State’s ability to designate local planning authorities for poor performance in relation to the speed or quality of decisions on non-major applications. The February 2016 *“implementation of planning changes: technical consultation”* proposed the following threshold ranges of designation to non-major applications
 - Speed of decisions: where authorities fail to determine at least 60-70 per cent of applications for non-major development on time, over the two year assessment period they would be at risk of designation.
 - Quality of decisions where authorities have had more than 10-20 per cent of their decisions on applications for non-major development overturned at appeal, they would be at risk of designation.
33. The Act will also require local authorities to produce a report of the financial benefits associated with accepting the planning application. This could, for example, cover financial benefits such as income from the community infrastructure levy, and grants and other financial assistance from Government such as the New Homes Bonus.

Nationally significant infrastructure projects – allowing developers who wish to include housing within major infrastructure projects to apply for consent under the nationally significant infrastructure planning regime. Urban development corporations – creating a faster and more efficient process for creating Urban Development Areas and Corporations whilst ensuring that those with an interest locally are properly consulted at an early stage.

34. This part of the Act provides the Secretary of State with the power to grant development consent for housing which is linked to an application for a nationally significant infrastructure project (NSIP). This could be, for example, for housing provided for workers during the construction or operation phase of a NSIP. The Act will also allow for consent to be granted for housing where there is no functional link, but where there is a close geographical link between the housing and the NSIP.
35. The Government's March 2016 National Infrastructure Delivery Plan 2016-2021 said that this provision would allow up to 500 dwellings included alongside infrastructure in a single DCO application.
36. The Act will make permanent some temporary changes that exist already relating to the establishment of urban development corporations (UDC's). It sets out the consultation requirements needed before an UDC can be established and it changes the parliamentary procedure for making orders from an affirmative to a negative procedure.

Pilot schemes for competition in processing planning applications

37. The Act will give the Secretary of State the power, by regulations, to introduce pilot schemes for competition in the processing (but not the determining) of applications for planning permission. The February 2016 "implementation of planning changes: technical consultation" asked for views on who should be able to compete for the processing of planning applications, which applications could they compete for and how fee setting in competition test areas should operate.

Section 106 planning obligations

38. The Government introduced new clauses into the Bill at Report Stage (30 and 31) to set out a dispute resolution process to speed up S. 106 negotiations in order to help housing starts to proceed more quickly. They provide for a person to be appointed to help resolve outstanding issues in relation to S 106 planning obligations. The new process will only apply in situations where the local planning authority would be likely to grant planning permission if satisfactory planning obligations were entered into. The February 2016 "Implementation of planning changes: technical consultation" provides further information about how the proposed dispute resolution mechanism would work.

FORTHCOMING CHANGES NOT IN THE LEGISLATION

Local and neighbourhood plans

39. There are some measures on speeding up local and neighbourhood plans that are not part of the Housing and Planning Act 2016. Separately to this in the November 2015 Autumn Statement the Government said that it will bring forward proposals for a "delivery test" on local authorities to ensure delivery against the homes set out in local plans within a reasonable timeframe.
40. On 15 September 2015 the Government announced that it had set up an "expert panel" to consider how to simplify the local plan making process. The panel published its final report on 16 March 2016, which coincided with the March 2016 Budget. The budget statement alluded to the report and supported the recommendation to "look at the scope to reduce the

weight of outdated plans in decision-making". The Government has consulted on the final report (period for comments closed on 27 April 2016).

41. The Budget 2016 also sets out the Government's intention to accelerate the preparation, adoption and delivery of local plan policies. This includes speeding up the process for assessing housing need (the government welcomes the local plan expert group recommendations) and setting out measures to encourage the production of local plans (later this year).

Incentive to put in place a local plan

42. In the Government's December 2015 "New Homes Bonus: Sharpening the Incentive: Technical Consultation" three options were set forward to limit the circumstances in which the New Homes Bonus would be paid in order to incentivise the impact of the Bonus. The options presented for consultation were:
 - Withholding the Bonus from areas where an authority does not have a Local Plan in place;
 - Abating the Bonus in circumstances where planning permission for a new development has only been granted on appeal; and
 - Adjusting the Bonus to reflect whether or not the homes would have been built without financial incentive.
43. The Government's preferred option, however, is that from 2017-18 onwards, local authorities who have not submitted a Local Plan prepared under the 2004 Act should not receive New Homes Bonus allocations for the years for which that remains the case. An alternative would be for local authorities to receive a set percentage (50%) of the Bonus allocation where they have published a Local Plan but not yet submitted it to the Secretary of State for examination. Consultation closed on 10 March 2015.

Duty to Cooperate

44. The Localism Act 2011 introduced a legal "duty to cooperate" on local planning authorities in preparing plans that relate to "strategic matters" (including housing) that would have a significant impact on at least two planning areas. The different relevant bodies from these different areas are expected to demonstrate how they have worked together. In the July 2015 Productivity Plan "Fixing the foundations: creating a more prosperous nation", the Government said that it would "strengthen guidance to improve the operation of the duty to cooperate on key housing and planning issues, to ensure that housing and infrastructure needs are identified and planned for".

Office to residential change of use

45. The temporary permitted development right to change the use of offices to residential without requiring planning permission was made permanent in April 2016 through the Town and Country Planning (General Permitted Development) (England) (Amendment) Order 2016. It includes provision to allow local planning authorities to consider the "impacts of noise from commercial premises on the intended occupiers of the development". Proposed changes will have to be completed within three years of the developer getting prior approval.
46. The same Order creates a new three year temporary permitted development right for the change of use from light industrial to housing up to a maximum floorspace of 500 sq. m. This will come into effect from 1 October 2017.

Change to national planning policy for land for homes

47. In its December 2015 “Consultation on proposed changes to national planning policy” the Government proposed several changes to the NPPF with the aim of making it easier to build housing in certain circumstances. These proposals included:
- Strengthening national planning policy to provide a more supportive approach for new settlements;
 - To make clearer in national policy that “substantive weight” should be given to the benefits of using brownfield land for housing (in effect a form of “presumption” in favour of brownfield land). The Government intends to make it clear that development proposals for housing on brownfield sites should be supported unless overriding conflicts with the Local Plan or the National Planning Policy Framework can be demonstrated and cannot be mitigated.
 - To make clear that proposals for development on small sites (fewer than 10 units) immediately adjacent to settlement boundaries should be carefully considered and supported if they are sustainable.
 - To amend NPPF to ensure action is taken where there is a “significant” shortfall between the homes provided for in Local Plans and the houses being built. The proposal is to introduce a “housing delivery test” which would compare the number of homes that local planning authorities set out to deliver in their Local Plan against the net additions in housing supply in a local authority area over a two-year period.

CONCLUSIONS

48. The provisions of the Act are wide ranging and high level. One of the criticisms of the Bill in debate in Parliament has been the extent to which it devolves the detail of changes set out in it to regulations that have yet to be produced. Other have criticised many of the measures as being a major departure away from the NPPF’s aim of “allowing people and communities back into planning” and towards concentrating more power in the hands of the Secretary of State.
49. Some elements of the Act and other changes are more relevant to local authority planning and housing functions than other parts. Particular issues are:
- The extent to which the requirements for starter homes will affect the ability of the local authorities to deliver affordable housing as currently defined in the National Planning Policy Framework.
 - Changes to the planning regime including changes to the neighbourhood and local planning regimes and the introduction of the concept of permission in principle. Some have argued that this represents a major shift in town planning philosophy towards a zonal model.

Report Author	Ext	Date	Doc ID
Mike Molyneux	01772 906703	June 2016	***



Report of	Meeting	Date
Director of Development, Preston City Council	Central Lancashire Strategic Planning Joint Advisory Committee	27 June 2016

FULL OBJECTIVELY ASSESSED HOUSING NEED AND STRATEGIC HOUSING MARKET ASSESSMENT

PURPOSE OF REPORT

1. To advise members of the Joint Advisory Committee of the appointment of consultants to carry out a Full Objectively Assessed Housing Need and Strategic Housing Market Assessment of Central Lancashire.

RECOMMENDATION(S)

2. The Joint Advisory Committee is recommended to note the contents of this report.

EXECUTIVE SUMMARY OF REPORT

3. This report sets out details of work to update the full, objectively assessed housing needs in the development plan.

REASONS FOR RECOMMENDATION(S)

4. To advise member of the Joint Advisory Committee on the work to the evidence base.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. N/A

BACKGROUND

6. The Planning and Compulsory Purchase Act 2004, S13, places a duty on local planning authorities to keep under review the matters which may be expected to affect the development of their area or the planning of its development, including:
 - (a) the principal physical, economic, social and environmental characteristics of the area of the authority;

- (b) the principal purposes for which land is used in the area;
- (c) the size, composition and distribution of the population of the area;
- (d) the communications, transport system and traffic of the area;
- (e) any other considerations which may be expected to affect those matters;
- (f) such other matters as may be prescribed or as the Secretary of State (in a particular case) may direct.

The duty extends to any changes that the authority think may occur to any matter and the effect of those changes. National Planning Policy in paragraph 158 of the National Planning Policy Framework requires local planning authorities to ensure that their local plans are based on adequate, up to date and relevant evidence. In particular, paragraph 159 indicates that they should have a clear understanding of the housing needs in their area. Planning Practice Guidance advice is that appropriate and proportionate evidence is essential for producing a sound Local Plan. The advice is also that the evidence should be kept up to date and where dated should be brought up to date to reflect current data. Government advice in the Planning Practice Guidance is that most local plans are likely to need updating in whole or in part at least every five years.

7. The three Central Lancashire authorities have up to date and National Framework compliant development plans consisting of the Joint Central Lancashire Core Strategy, adopted July 2012, and the three respective site allocations plans, adopted by the respective authorities on varying dates but all in July 2015. The Core Strategy is, therefore, reaching the point where, government guidance suggests that there should be some review as to whether policies need updating.
8. The housing requirement figures in the plan, set out in Policy 4 of the Core Strategy, derive from the now revoked Regional Spatial Strategy figures, which in turn are based upon population and household projection figures dating from 2003. This is becoming an issue in determining planning applications and, particularly, in defending appeals where applicants/appellants are arguing that these figures, even in a recently adopted plan, do not constitute the full, objectively assessed need for market and affordable housing in each of the three Council areas. The further argument is that this is in breach of the requirement of paragraph 47 of the NPPF, which is that local planning authorities use their evidence base to ensure that the Local Plan meets the full objectively assessed need. In such circumstances elsewhere planning inspectors have weighed in favour of the appellant. In addition the High Court has supported the view that the starting point in determining housing requirements is the full, objectively assessed need.
9. In particular, in what is now regarded as a definitive judgment, the Court of Appeal ruled in *St Albans City Council v Hunston Properties* (Sir David Keene) that:

“I see the force of these arguments, but I am not persuaded that the inspector was entitled to use a housing requirement figure derived from a revoked plan, even as a proxy for what the local plan process may produce eventually. The words in paragraph 47(1), “as far as is consistent with the policies set out in this Framework” remind me that the Framework is to be read as a whole, but their specific role in that sub-paragraph seems to me to be related to the approach to be adopted in producing the Local Plan. If one looks at what is said in that sub-paragraph, it is advising local planning authorities:

“to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework.”

That qualification contained in the last clause quoted is not qualifying housing needs. It is qualifying the extent to which the Local Plan should go to meet those needs. The needs assessment, objectively arrived at, is not affected in advance of the production of the Local Plan, which will then set the requirement figure.

Moreover, I accept Mr Stinchcombe QC’s submissions for Hunston that it is not for an inspector on a Section 78 appeal to seek to carry out some sort of local plan process as part of determining the appeal, so as to arrive at a constrained housing requirement figure. An inspector in that situation is not in a position to carry out such an exercise in a proper fashion, since it is impossible for any rounded assessment similar to the local plan process to be done. That process is an elaborate one involving many parties who are not present at or involved in the Section 78 appeal. I appreciate that the inspector here was indeed using the figure from the revoked East of England Plan merely as a proxy, but the government has expressly moved away from a “top-down” approach of the kind which led to the figure of 360 housing units required per annum. I have some sympathy for the inspector, who was seeking to interpret policies which were at best ambiguous when dealing with the situation which existed here, but it seems to me to have been mistaken to use a figure for housing requirements below the full objectively assessed needs figure until such time as the Local Plan process came up with a constrained figure.”

10. In the two public inquiries involving housing land issues held in Preston since the adoption of the Site Allocations Plan (Ingol Golf Course and Gladman, Grimsargh both in January 2016), the Council has faced arguments that the Core Strategy housing requirement figure is out of date and does not represent the full objectively assessed need. The counter argument has been that both parts of the development plan, the Core Strategy and Site Allocations Plan, are National Planning Policy Framework compliant but it will become increasingly difficult to sustain that argument as time passes, and particularly as the fifth anniversary of adoption of the Core Strategy approaches in 2017, which is a critical date in government guidance.
11. It is, therefore, timely to look at the housing requirement figures. GL Hearn, who are one of a number of consultants with expertise in this area and are on the HCA’s technical panel, have been appointed through the North West Procurement Portal to carry out the work. They have recent relevant experience of similar work in the North West, having carried out the Mid-Mersey study covering St Helens, Warrington and Halton during 2015.
12. The FOAN/SHMA work will be carried out during 2016 and it is currently expected that the work will be completed by the end of September.

CONCLUSIONS

13. For the reasons set out above this work is necessary and timely. In particular, taking into account the fifth anniversary of the adoption of the Central Lancashire Core Strategy in 2017, the revocation of RSS on which the Core Strategy figures are based and the latest population and household projection figures all point to the need to review this part of the local plan evidence base.

Report Author	Ext	Date	Doc ID
Mike Molyneux	01772 906703	June 2016	***

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Report of	Meeting	Date
Director of Development, Preston City Council	Central Lancashire Strategic Planning Joint Advisory Committee	27 June 2016

AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT

PURPOSE OF REPORT

1. To advise members of the need to replace the currently adopted Affordable Housing Supplementary Planning Document as a result of various changes.

RECOMMENDATION(S)

2. The Joint Advisory Committee is recommended to note the contents of this report.

EXECUTIVE SUMMARY OF REPORT

3. This report sets out details of the requirement to provide a replacement to the currently adopted Affordable Housing Supplementary Document resulting from changes in legislation and other requirements in relation to the provision of affordable housing.

REASONS FOR RECOMMENDATION(S)

4. To advise members of the work coming forward.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. N/A

BACKGROUND

6. The current Central Lancashire Affordable Housing Supplementary Document was adopted in October 2012. A number of changes make it necessary to produce a replacement SPD; in particular the introduction of Starter Homes in the Housing and Planning Act; the year on year reduction in social and affordable rents on property rented by registered providers (housing associations) by 1% p.a. for the next 4 years from April 2016; and the Court of Appeal decision on thresholds following the successful high court decision in favour of West Berkshire and Reading Councils against the Secretary of State's threshold for site size in

relation to the provision of affordable housing. There are also issues arising in relation to viability, which may require the introduction of 'clawback' from developers.

STARTER HOMES

7. As reported elsewhere in the agenda in the context of the Housing and Planning Act 2016, the provision of starter homes is now included in legislation. There is a general duty placed on local planning authorities to promote the supply of starter homes. In addition the Act provides that local planning authorities are to set a starter homes requirement, meaning that local planning authorities may only grant planning permission for residential development if the starter homes requirement is met. Regulations are to be brought forward setting out the details of that requirement.
8. Alongside that The Act (S159) inserts a new Affordable Housing definition into the Town and Country Planning Act 1990. Affordable Housing is defined as being for people whose needs are not adequately served by the commercial housing market and now includes Starter Homes (as defined by the Act).
9. Whilst not specifically stated this infers that sub-market housing products such as discount market sale and rent to buy will be formally recognised as Affordable Housing. The definition was first proposed within the Government's "National Planning Policy: consultation on proposed changes" in December 2015. It expands the definition in Annex 2 of the National Planning Policy Framework (NPPF).
10. At present, therefore, and until regulations are introduced, there are in effect two definitions of Affordable Housing: in the Housing and Planning Act 2016 and in the NPPF. Until secondary legislation is passed the NPPF Annex 2 definition will continue to take supremacy in the application of policy. However, it has to be expected that regulations will be brought out in the near future so the SPD requirement will have to be widened to include Starter Homes plus any other changes.

YEAR ON YEAR REDUCTION IN RENTS

11. The Welfare Reform and Work Act 2016 requires registered providers of social housing in England to reduce social housing rents by 1% a year for 4 years from a frozen 2015 to 2016 baseline and to comply with maximum rent requirements for new tenancies. The policy applies from 1 April 2016. In each of 4 'relevant years', usually commencing on 1st April, registered providers of social housing must reduce the total rent payable by a tenant in year by 1%.
12. While this provides a benefit to the tenant, there is a multiplied cost to the registered provider. Registered providers have planned for rent increases of RPI + 0.2%. Evidence provided by registered providers to Preston City Council, therefore, is that the cost will be the equivalent of an 8.8% cut in rents over the four years. As a consequence registered providers are moving away from rented social housing towards more housing for sale or market rented property. This will have implications for the Councils' ability to apply the requirement in the Supplementary Planning Document, particularly for the split on site between rented and for sale housing, which is currently set out in paragraph 35 of the SPD as a 70:30 split.

COURT OF APPEAL JUDGMENT ON SSCLG & WEST BERKSHIRE AND READING COUNCILS

13. In November 2014, the Secretary of State in a written ministerial statement introduced a threshold of 10 dwellings or 1,000 sq metres for the provision of affordable housing i.e. any site of Developments of 10 units or 1000 sq m or less (including annexes and extensions) would be excluded from affordable housing levies and tariff based contributions. A lower threshold would apply in designated rural areas, National Parks and Areas of Outstanding Natural Beauty (as defined in section 157 of the Housing Act 1985), with developments of 5 units or less to be excluded from affordable housing levies and tariff based contributions. Development of between 6 and 10 units would be subject to a commuted sum payable on or after completion.
14. The thresholds set out in the Central Lancashire Core Strategy policy 7 are, aside from rural exception sites, 15 dwellings (5000 sq metres) or in rural areas 5 dwellings (1,500 sq metres). Generally, therefore, the government threshold would not apply except in rural areas.
15. In July 2015, the High Court ruled that the introduction of the threshold in the ministerial statement was unlawful in an action brought jointly by West Berkshire and Reading Councils. In September 2015 the Secretary of State was given leave to appeal and judgment was handed down by the Court of Appeal on 11th May 2016. The Court of Appeal ruled in favour of the Secretary of State and reinstated the threshold set out in the ministerial statement. However, in doing so the Court of Appeal, in a closely argued judgment, stated that policy could not fetter an authority from setting another threshold if there were exceptional circumstances to justify that. Broadly, therefore, while the threshold is 10 dwellings it is open to local planning authorities to set a lower threshold provided that can be justified.
16. The three authorities, therefore, need to consider whether there are any exceptional circumstances that justify a reduced threshold and those can be set out in the replacement SPD.

VIABILITY

17. The viability of development is one that can affect the requirement for affordable housing. Paragraph 173 of the National Planning Policy Framework advises that:

Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.

18. While the return to the landowner and development costs, particularly on-site infrastructure are factors that will determine viability at the start of a development, that could change over time especially on large sites that might be built out over a number of years. While requirements for affordable housing at the start of a development might be restrictive due to other on-site requirements, factors such as increases in property values over time might mean that provision becomes more viable. As part of the revision of the SPD, the implications of this will be considered by officers.

NEXT STEPS

19. A redraft of wording of the SPD will be considered by officers taking into account the matters identified above. The current expectation is to have a draft for consultation by September, after the main summer holiday period, subject to government regulations relating to Starter Homes and definitions of affordable housing being in place. This is also timely in connection with the FOAN/SHMA work being carried out and reported elsewhere on the agenda for this meeting.

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