Please find below the response to the consultation Changes to the Current Planning System. This is a joint response from South Hams District and West Devon Borough Councils. Together with Plymouth City Council the Councils have a recently adopted Joint Local Plan (JLP). Whilst there are two responses to this consultation from the JLP Councils, they reflect the impact of the proposed changes, some of which are different in the rural and urban elements of the JLP area. The response from Plymouth City Council is endorsed by South Hams and West Devon Councils.

The government’s proposed approach

The 300,000 dwellings per annum figure is an ambition or aspiration and not an assessment of the nation’s housing need and type of housing needed. It is not underpinned by any evidence to support and justify the housing target which should have been produced to form part of the consultation on this document and the White Paper. On this basis the standard method therefore cannot be soundly referred to as an adequate assessment of housing need, rather it is an algorithm designed to ensure it adds up to a national housing target in excess of 300,000 homes. To quote one Conservative MP, we agree that it is an “imposition of housing numbers handed down by Central Government and [we] strongly resisted this new ‘Stalinist’ approach”.

The new National Housing Target ought to be subject to a Strategic Environmental Assessment, particularly given that the figure appears to have no evidential basis to it and is likely to lead to a significant loss in green spaces for development in rural, less sustainable locations. Alternative options/targets ought to have been considered, as a lower housing target focusing on high levels of affordable housing provision as a portion of overall
housing development could meet the nation’s housing need in a more sustainable way. This alternative option would better align with the government’s objectives to reduce climate change impacts, and address the affordability crisis more appropriately through the provision of higher levels of affordable housing.

There is no clear evidence of past under delivery of housing numbers as a total, the issue is past under delivery of affordable homes when compared to public sector housebuilding numbers prior to the 1990’s. The solution must be to focus on substantial increases in affordable housing as a portion of the overall total. An increase in the overall supply above current levels is not necessarily needed, and this should be considered alongside the impacts of climate change in establishing the most appropriate level and type of housing supplied.

The algorithm is not fit for purpose, it is an algorithm purely designed to arrive at a high housing number and is not an appropriate or justified assessment of actual housing need. It still directs growth to rural locations as is the case with the current algorithm, i.e. it inflates housing figures substantially in rural areas compared with urban areas.

The affordable housing/market signals adjustment methodology leads to inflated housing numbers in the wrong locations and is based on a flawed assertion that delivering more houses leads to greater levels of affordability. There is no clear correlation between higher house building numbers and greater levels of affordability, indeed the opposite is often the case due to wider economic effects. For example, within the Plymouth, South Hams and West Devon area there are periods of time where lower levels of housebuilding have resulted in greater affordability and higher levels of housebuilding have resulted in lower levels of affordability. Higher levels of housebuilding normally take place in a buoyant economy when house prices rise at a rate higher than earnings, and lower levels of house building take place in an economic downturn when house prices fall at a rate greater than a decrease in earnings.

Furthermore, there are no mechanisms within this consultation nor in the White Paper to ensure house builders deliver the higher numbers generated by the algorithm. House builders will increase output dependent on an optimum price point. Therefore, if house prices fall, which is the government’s clear aspiration in aiming for such a high house building figure, then house builders have and will always react by reducing output. It is a matter of simple supply and demand economics. It would be counterintuitive to house builders’ business models to do anything to the detriment of reducing profit. To merely expect or hope house builders will operate differently without any incentive or penalties is a failure to understand how the house builders and the housing market operates. It is perhaps inevitable that the housing numbers generated by the algorithm are undeliverable and development plans as a result will be set up to fail and rendered out of date very quickly.
The housing crisis is an affordability crisis, yet there is insufficient attention to substantially increasing affordable housing provision as a portion of overall housing to deal with the affordability crisis. Moreover, the effects of having an undeliverable, high housing target in inappropriate locations results in reduced obligations and thus reductions in affordable housing provision in the interests of site viability. Leaving London to one side, affordability ratios in rural locations are significantly higher than in urban locations. Therefore, the solution must be to ensure greater levels of provision of affordable housing in rural locations, rather than focusing on inflating overall housing numbers that are not deliverable and have the effect of reducing affordable housing provision. We suggest that the government considers requiring through national policy significantly higher levels of affordable housing provision in rural locations with a high affordability ratio, rather than inappropriate inflation of housing numbers in such locations.

Proposed alternative

The appropriate spatial planning response to the outcome of the algorithm is for authorities to join-up and plan at a higher level, aiming to deliver the housing numbers in the most appropriate locations across housing market areas, rather than to meet the numbers generated by the algorithm where they arise, given the flaws highlighted in the algorithm set out above.

Regional spatial planning that is based on the housing requirements of the housing market areas within the region is the most appropriate and coherent solution to: place making, infrastructure provision, climate change and environmental protection, and meeting housing needs in the most appropriate locations at the regional and sub-regional level. As the government is proposing to reintroduce top down, binding housing targets, consideration ought to be given to regional planning measures in place of the duty to cooperate, to ensure development is appropriately distributed to main cities and towns in an appropriate spatial hierarchy, and the identification of optimum locations for new settlements, if applicable. Planning by an algorithm derived on the basis of an aspirational target rather than an assessment rooted in housing need that inflates housing numbers in rural, less sustainable areas, is not a credible and sustainable way to plan places appropriately in the context of declarations of climate change emergency. Re-introducing regional spatial planning will help to resolve problems at a higher level and will foster joint working between LPAs to distribute development in a coherent way based on sound spatial planning principles. The government’s proposed way forward will push LPAs apart, because if a LPA has a lower housing target there will be no incentive to work with others to solve housing need. The proposed changes will change a long established, plan-led system into “planning by algorithm” that makes no sense in solving a very urgent and serious housing crisis and is fundamentally flawed.
Q1: Do you agree that planning practice guidance should be amended to specify that the appropriate baseline for the standard method is *whichever is the higher of* the level of 0.5% of housing stock in each local authority area OR the latest household projections averaged over a 10-year period?

No.

The algorithm as a whole is not fit for purpose, is volatile on a yearly basis and undermines rather than underpins the plan-led system due to the flawed outputs it generates. It bears no relationship with actual need arising in places and ignores sustainable distribution patterns.

The additional arbitrary element of 0.5% increase in housing stock is a blunt tool that results in an exponential increase in housing targets year on year. The more houses that are added to the dwelling stock results in a greater increase in household formation forecasts as well as the 0.5% of existing housing stock part of the equation, thus resulting in exponentially higher housing targets every year. It is inevitable, therefore, that this will require continuous amendment following inception, which adds weight to the assertion that the algorithm is not fit for purpose.

It is recognised that proposals set out in the White Paper will consider an additional algorithm to factor-in constraints to generate a binding Housing Requirement. However, the Government has made clear that 300,000 plus homes per annum is the ambition/aspiration. Development Plans ought to be deliverable plans. LPAs faced with vastly increased undeliverable housing targets, not underpinned by any sound evidence of housing need, and an exponentially annually increasing standard algorithm regardless of delivery will find plans out of date rapidly, if indeed they are even able to produce a plan to meet the target. The effect of this blunt tool is likely to result in an unplanned-led planning system of piecemeal development prioritised on greenfield development in inappropriate, unsustainable locations, in advance of brownfield development within main cities and towns. This does not sit well with the Government’s climate change emergency declaration / objectives and the objectives to prioritise brownfield development and protect areas of greenspace value. See additional comments on the government’s proposed approach, above.

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

No.

The algorithm is not fit for purpose. This element has the effect of resulting in exponential increases in the housing target for an area, regardless of any relationship between the housing need and housing delivery of an area. See response to Q1, above.
Q3: Do you agree that using the workplace-based median house price to median earnings ratio from the most recent year for which data is available to adjust the standard method’s baseline is appropriate? If not, please explain why.

No.

It is an inappropriate, arbitrary multiplier that is not fit for purpose, and does not result in greater levels of affordability. The affordable housing / market signals adjustment methodology leads to inflated housing numbers in the wrong locations, and is based on a flawed assertion that delivering more houses leads to greater levels of affordability. There is no clear correlation between higher house building numbers and greater levels of affordability, indeed, the opposite is often the case due to wider economic effects. For example, within the Plymouth, South Hams and West Devon area there are periods of time where lower levels of housebuilding have resulted in greater affordability and higher levels of housebuilding have resulted in lower levels of affordability. Higher levels of house building normally take place in a buoyant economy when house prices rise at a rate higher than earnings, and lower levels of house building take place in an economic downturn when house prices fall at a rate greater than a decrease in earnings.

The affordability crisis should be addressed by a planning system that requires developers to deliver substantially higher levels of affordable housing than the current levels, or to contribute substantially higher levels of money for the provision of affordable housing from registered providers and local authorities. In addition, the Government must create a system that holds to account house builders to build the consents that have been granted and the sites that have been allocated expediently. The responsibility to house the nation and address the affordability crisis has been handed to private sector house builders, therefore they must be incentivised to do so. House builders must also face a delivery test, and also face financial consequences for failing to deliver the sites that have been allocated and granted consent.

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

No.

See response to Q3 and comments on the proposed government’s approach above.

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

No.

The government should consider national policy requiring and ensuring house builders deliver higher levels of affordable housing in locations with the
highest affordability ratios, rather than merely inflating housing numbers in these locations with no mechanisms / incentives or penalties for developers to ensure delivery takes place.

The effect of over-inflated, undeliverable housing numbers as a result of this element of the algorithm has the opposite effect, i.e. to reduce affordable housing provision within schemes in decision making, due to failed housing delivery tests or lack of a 5 year land supply. This has been the case since the introduction of the NPPF in 2012, and also appears to be the case elsewhere in this consultation where the government proposes an interim removal of affordable housing obligations for sites below 40 or 50 units - in response to potential viability issues associated with the effects of Covid 19 and the downturn in the economy.

The affordability crisis is not best addressed by the loss and reduction of affordable housing provision. This seems to be a very counterintuitive outcome to improve affordability and access to housing. Research from Lichfield’s clearly shows that greater levels of affordable housing within developments substantially increase delivery rates. The government should therefore be ensuring that the planning system secures greater levels of affordable housing within developments above current levels, not lower levels to meet the government’s aspirations for higher housing delivery figures.

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

No specific comments to make as the Councils have recently adopted a joint local plan.

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

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

Although South Hams and West Devon Councils have a recently adopted a joint local plan, the following circumstances need to be catered for in regard to LPAs with recently adopted development plans.

The document refers to the results of the proposed new algorithm as being the basis for plans created prior to changes outlined in the White Paper being introduced. However, it is not clear whether it could have implications on recently adopted plans and as such risks undermining them and creating uncertainty. The government needs to make it absolutely clear under
transitional arrangements that for decision-making the results of the new algorithm cannot be a material consideration when determining appeals. The Housing Requirement in recently adopted plans less than 5 years old should not be undermined. Recently adopted plans are the most appropriate up to date assessment of Housing Requirement. It would be inappropriate and absurd for LPAs to be forced into reviewing recently adopted plans under the parameters of the existing planning system, in advance of producing a new plan under the requirements of a new planning system, as a result of the new algorithm being used as a material consideration outweighing the adopted development plan or rendering policies out of date. If introduced, we believe that the new algorithm should only be a material consideration in decision making after a new plan has been adopted within 42 months of the legislation coming into effect.

Delivering First Homes

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

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

ii) Negotiation between a local authority and developer.

iii) Other (please specify)

Option iii)

The Councils fundamentally object to the concept of First Homes, and consider that local authorities should set policy requirements at a local level in the Development Plan. First Homes will only meet a small proportion of identified housing requirements and not enough social rented homes are being delivered nationally. As a country, we need to build at least 90,000 new social rented homes each year. A new planning system must recognise its role in delivering the truly affordable homes people need.

The preferred tenure mix of SHDC and WDBC, as set out in the recently adopted (July 2020) Supplementary Planning Document, is 65% social rent and 35% shared ownership. The requirement of 25% First Homes will displace part of the shared ownership but not affect the 65% rented. So, locally there will be no impact on the rented proportion, as they would be 25% First Homes; 10% Shared Ownership; 65% Social Rented.
If the government intends to proceed with its proposals, then the provision of truly affordable housing in the form of social rented homes must be prioritised as part of the remaining 75%. The mix of the remaining homes must be left to local discretion to best meet the range and mix of locally identified housing needs. These can be set out in a local Housing Delivery Plan.

Q9: Should the existing exemptions from the requirement for affordable home ownership products (e.g. for build to rent) also apply to this First Homes requirement?
Yes.
If the Government intends to proceed with its proposals, then we believe that the existing exemptions set out in paragraph 64 of the National Planning Policy Framework should apply to First Homes. For example, we support the exemption of Build to Rent developments from requirements to deliver affordable home ownership products.

Q10: Are any existing exemptions not required? If not, please set out which exemptions and why
No. See answer to Q.9 above.

Q11: Are any other exemptions needed? If so, please provide reasons and /or evidence for your views.
Yes.
The Councils believe that paragraph 64 of the NPPF must be retained to continue to give local authorities the ability to “meet the identified affordable housing needs of specific groups”
There needs to be an exemption specifically for community led housing schemes. Para 64 c) of the NPPF is open to interpretation, so clarity is required to ensure community led schemes are exempt. We consider that community led schemes provide unique solutions to local need and should be subject to as few restrictions as possible to ensure they are viable.

Q12: Do you agree with the proposed approach to transitional arrangements set out above? (paragraph's 56-58)
Neither agree nor disagree.
The Councils consider that the transitional arrangements are manageable as the LPA’s tenure mix is set out in the Supplementary Planning Document and not the Plymouth and South West Devon Joint Local Plan. The Supplementary
Planning Document sets out guidance on the preferred mix to meet identified housing needs rather than being outlined in policy in the Joint Local Plan.

Q13: Do you agree with the proposed approach to different levels of discount?
Yes.

The discount needs to be determined at a local authority level and relate to local incomes and local house prices. There is a risk that a ‘First Homes trap’ will be created, whereby purchasers using the scheme will be unable to ‘move up’ to a larger home which meets their needs when their family grows, because the depth of the discount on their first property means the financial jump to the next property, where no discount would be provided, is too great.

With a price cap of £250,000 and income cap of £80,000, First Homes are clearly not aimed at meeting the needs of aspiring first time buyers. A First Home available for £250,000 would cost 14 times more than the lower quartile annual workplace earnings in both South Hams and in West Devon. This is clearly unaffordable to those in housing need.

A 30% discount will not be affordable to many buyers, where saving for a deposit is also a significant barrier to buying a home. A larger discount will be required and the Government should not presume that a 30% discount would be sufficient unless proved otherwise through the development plan making process. Allowing a range from 30% to 50% in discounts set by LPAs will help more households and align better with local shared ownership homes.

Q14: Do you agree with the approach of allowing a small proportion of market housing on First Homes exception sites, in order to ensure site viability?
No.

The Councils object to the proposed amendments to the entry-level exception site policy. LPAs should remain able to negotiate the tenure of affordable homes on these sites according to identified local housing needs and affordability.

This could include a small proportion of market housing, but only if required to ensure the overall viability of the site. This should be for the LPA to agree on a site-by-site basis.

Q15: Do you agree with the removal of the site size threshold set out in the National Planning Policy Framework?
No. See response to Qu’s. 18 and 19 below.
Q16: Do you agree that the First Homes exception sites policy should not apply in designated rural areas?

Yes.

It should not apply in designated rural areas. Local authorities should have the flexibility to provide the tenure mix needed based on the objectively assessed local housing need.

**Supporting small and medium-sized developers**

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

No.

Once raised there will be no going back. Developers will bring back schemes in the pipeline with no affordable homes. Landowners will have their expectations raised, and land values will increase. This will clog-up the planning system and stop new applications from being made.

The Councils believe that increasing the threshold to 40 – 50 units will choke-off affordable housing delivery and we do not support it. The United Kingdom has a housing crisis, and the significant need for more affordable housing is clear and this is acknowledged in the consultation proposals.

There is no evidence that raising the threshold would result in an increase in the pace and scale of small sites coming forward, which is the stated rationale for reducing affordable housing obligations. It may provide a short-lived financial boost to some SMEs, but actually it is more likely to provide more money for landowners and their agents. Land price is determined as the residue available after taking into account the cost of the development, developer's profit and planning contributions. If planning contributions reduce this amount will inevitably be added to the land value, not retained by the developer. We believe these increased land value interests would be prioritised over the needs of the many who require affordable housing.

In addition, affordable homes are mostly delivered without Government grant. There are no proposals in the consultation on how this subsidy and loss of affordable homes is going to be replaced, and such a blanket threshold approach prevents the ability to secure contributions where viability improves. We believe that what is lost in planning gain needs to be replaced by direct investment from Government.

The consultation proposals themselves acknowledge that increasing the thresholds would see a 7-20% reduction of affordable housing each year and it would increase the price of land.
S106 delivery accounts for a significant percentage of the area’s new affordable homes each year, and therefore is a significant route to deliver the homes needed by the local community.

The scale of impact on housing delivery is not yet clear and there is no evidence that it is impacting all areas of the country equally. LPAs already have the ability to negotiate lower affordable housing requirements on sites based on specific local needs and viability issues. A blanket, one size fits all approach to the whole country seems to be counter-productive.

It is not clear which areas of the country the government is seeking to support with this policy, but there has been relative stability in house prices, land values and the SME development sector in Plymouth, South Hams and West Devon for many years.

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

i) Up to 40 homes

ii) Up to 50 homes

iii) Other (please specify)

Option iii.

For the reasons outlined above, the Councils believe that LPAs should continue to remain able to set their own thresholds to reflect evidenced housing need, affordability, deliverability and viability. In designated Rural Areas such as ours, we believe that the appropriate threshold is up to 5 homes.

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

No.

The Councils object to the proposal to raise the site size threshold alongside the number of dwellings threshold for affordable housing contributions. For the reasons set out above we believe LPAs should remain able to seek contributions to affordable housing where justified by evidence.

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

No.

The Councils object to the proposal to raise thresholds over any time-period. No evidence is provided that the proposed reduction in planning obligations for at least 18 months is justified by the current economic circumstances, or
indeed how the proposed reforms would improve the current level of housing delivery.

The application of existing affordable housing policy is currently subject to viability, so the ability to seek reduced contributions already exists, and only where the evidence demonstrates that it is required, as opposed to a blanket threshold for all cases, as proposed by the government.

Individual LPA do already have the ability to help stimulate the local housing market through locally led initiatives and the government should encourage such local initiatives rather than a national, one size fits all approach. These powers are already available to LPAs without the need for over-centralised direction from government, and we believe LPAs should be allowed to innovate locally as they are best placed to understand the local situation.

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

Yes.

The Councils agree with the principle that there is a need to prevent and tackle the sub-division of sites and the avoidance of contributions where it is clear that it is part of a larger site to be brought forward. However, there are no details provided of a proposed approach and therefore it is difficult to comment further. LPA already have powers to reject proposals that are seen as a contrivance to avoid affordable housing contributions, and we believe it is important that the Government uses existing case studies where planning decisions have been successfully defended in its preparation of guidance. We also believe that it is important that LPAs are strongly supported by the Planning Inspectorate when there are legitimate reasons for an LPA to suspect that a developer is intentionally trying to avoid the threshold for affordable housing contributions.

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

The Councils consider that this should apply not just to designated Rural Areas, but to all parishes with a population of less than 3,000. Nationally only 30% of rural areas are designated as such.

We believe that the same approach should be taken to rural areas as urban areas, i.e. that there is no evidence that raising the threshold would result in an increase in the pace and scale of small sites coming forward, which is the stated rationale for reducing affordable housing obligations. Therefore, the current lower threshold for rural areas should remain, as should a locally set threshold for affordable housing in urban areas for the reasons outlined above. We believe it is illogical to have a blanket policy for affordable housing for all rural areas in the same way as it is illogical to have a blanket policy for
affordable housing in urban areas, as it takes no account of the local situation. How can a rural area in an economically buoyant area in the south-east of England possibly be compared to a rural area in an economically deprived area of the north-east of England? The government’s approach of one size fits all is fundamentally flawed.

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

Yes.

By continuing with the existing Exception site approach – as it brings forward small schemes ideal for SMEs. Small schemes can be delivered by Registered Providers, Community Land Trusts, and SMEs.

Clearly a more open, streamlined and user-friendly planning system will help SMEs engage with the requirements of development. However, the planning system is not the right place to financially incentivise SMEs. Financial incentives should come through taxation or the availability of affordable finance. We believed that any reduction in planning costs will simply translate into an increase in the price of land.

A key constraint to SMEs delivering new homes is their difficulty and inability to access development funding and/or equity funding to fund delivery. Often the funds they can secure come with high interest costs. A national fund that offers affordable development finance, with a streamlined application and decision-making process would help SMEs. The removal of funding conditions and improved flexibility on security would also assist, so that the SMEs are not shouldering all the risks.

We believe that LPAs should instead be working with SMEs to identify future site opportunities, with a focus on tackling smaller difficult brownfield sites, stalled and lapsed sites. In this way LPAs will be able to build a pipeline of opportunities to provide confidence in future investment and delivery decisions. We also believe that the Government should do more to incentivise the public sector and Registered Providers to use SMEs and encourage stage payments to improve their cash flow.

Extension of the Permission in Principle Consent Regime

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

No.
Permission in Principle (PiP) is rarely used in South Hams/West Devon. Given a recently adopted Local Plan the principle of residential development on most sites is usually clear from the outset and the negotiation is based on the detail that cannot be established through the Permission in Principle process.

As such the applicant is often no further forward with a PiP consent. On larger major sites the only real value is to establish housing numbers through the PiP route. In the context of a major development the only way to establish this would be through layout plans and an understanding of the constraints on the site. This would involve the applicant investing in the services of consultants to demonstrate the appropriate number of units permissible and restrictions based on constraints. This is beyond the scope of PiP and is the main purpose of an Outline Planning Application so will not increase the number of PiP applications received.

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

Yes.

We consider that the key word to use is “ancillary” i.e. the main purpose of the development should be to provide residential development and any commercial activity is ancillary to the residential use e.g. local facilities to support a sustainable development. Otherwise the commercial element could become the main driver for the development and in turn need to be assessed on criteria that could not be dealt with through the PiP consents process. For example, a supermarket might be proposed that would need to be assessed against a sequential test and an assessment of need. We also consider that if there are other nationally required tests that need to be carried out to assess the planning merits of a development then a PIP would not be appropriate.

Q26: Do you agree with our proposal that information requirements for Permission in Principle by application for major development should broadly remain unchanged? If you disagree, what changes would you suggest and why?

No.

We believe that to assess housing numbers a layout plan of some description is essential even if that layout plan is only indicative. This would then need to be accompanied by estimated heights. The reason for this is not to assess the detail of the proposal but simply to establish that the number of units proposed can reasonably be accommodated within the site and ensure that the developments fits within the character of an area. This is particularly relevant for a major development otherwise it is not clear how the LPA can make a reasoned decision. With reference to Q25 above we believe that a PIP should
only be appropriate if no nationally required tests are required to assess an application. However if this suggestion is not accepted then the information required should include any nationally required tests as appropriate.

Traffic considerations should also be a key requirement for any PIP for Major developments. Any major development will undoubtedly cause considerable extra pressure on the highway network with possible highway safety implications and so it is critical that the LPA can assess this as part of any PIP for major development otherwise the LPA would be forced into a negative response because the impact of additional traffic is unknown.

In addition it is important that there is consistency with the changes that are proposed in the White Paper for the Growth Areas. For example if an allocation provides for a certain number of dwellings this should not be undermined with a PIP that might form part of that allocation.

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

Yes.

In addition to comments made to response to Q26 it is essential that an LPA can consider the impact of a development in its context and the character of the local area. It may be possible for a site to physically accommodate a certain number of dwellings that meet national space standards and other local design standards but may be completely inappropriate for the location. This often can only be assessed if there is an understanding of height. For example it would clearly be inappropriate for flat development to be incorporated within an area of low density bungalow development as it would be incongruous to the surrounding area.

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

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

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

iii) both?

iv) disagree

If you disagree, please state your reasons.

ii) We consider that Permission in Principle applications should be advertised in the same way as planning applications i.e. through a site notice /
letter/Newspaper and publishing on the Council's website with the use of social media as suggested in the White paper. The notification in a local newspaper is still one of the main ways that the public see applications in South Ham/West Devon.

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

No.

We believe that a site area criteria is potentially disproportionate to the work involved in assessing the application. Such a structure does work when dealing with minor developments but when major developments are being considered it does not take into account the distribution of flats and houses. We therefore propose that the fee should be based on the maximum number of dwellings proposed in the description with a price per dwelling. Therefore if the description stated 10-15 dwellings the fee would be for 15 dwellings, but if the description stated 10 dwellings then the fee would be for 10 dwellings. There would still be a considerable cost saving to the applicant due to the minimal information they have to submit to accompany the application.

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

See response to Q.29 above.

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

No.

We do not believe there is a benefit of doing this. The majority of sites currently included on the South Hams and West Devon Brownfield Land Register either have planning consent, or are included in the adopted joint local plan as a site allocation. The inclusion of a brownfield site on Part 1 of the register is considered to provide a degree of clarity and certainty that a site is considered suitable in principle for housing development. The additional requirements on LPAs to undertake publicity and consultation when a site is proposed to be entered on Part 2 of the register will create further resource pressure for little gain and will potentially create confusion with the public.

Q32: What guidance would help support applicants and local planning authorities to make decisions about Permission in Principle? Where possible, please set out any areas of guidance you consider are currently lacking and would assist stakeholders.
More guidance on PIP would be essential. Local residents in particular find the process very confusing and in our experience the LPA receives unjustified criticism from local residents because they cannot understand why their comments on points of detail cannot be considered as a material consideration. If a Plain English guide to PIP could be published on the appropriate Government website then the case officer could refer people to this document and avoid protracted discussions with the local community that presumably takes place across the country.

A specific example of this uncertainty occurred within the Joint Local Plan Area where a PIP application resulted in conflict between local residents and Planning Officers because of perception by local residents that Planning Officers were not robustly scrutinising the design merits and traffic implications of the PIP. After a long debate at the Planning Committee the PIP was refused against officer recommendation and is now subject to an appeal with the Planning Inspectorate so neither developer or LPA is any further forward in establishing the principle of development on the site.

It is also important for guidance to clarify that the often held assumption that technical matters are separate to in principle issues is wrong. In considering the amount of development it is important to consider the constraints on the site, for example protected trees. Officers have to use best judgement to work out if there will be a likely impact from the amount of development proposed. In the same way when considering the amount of development the LPA needs to consider if that could be reasonably accommodated in a suitable form on the site that fits in with the established character and pattern of development in the area, design is therefore a consideration. These considerations have been supported by appeal decisions so we consider that the mixed messaging of PIPs should be revisited by the Government as it is currently very confusing for the public.

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

In our experience PiP often does not move a developer much further forward in the consent process through Permission in Principle so developers would need to be clear of the value and the limitations of PIP. This could be overcome through clearer MHCLG guidance and perhaps a standard informative that could be attached to each consent clearly stating the limited permission that has been granted through a permission in Principle. In addition, the costs and benefits are summarised below:

<table>
<thead>
<tr>
<th>Costs</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not having an indicative layout that make assessment of PIPs for major developments very difficult. This</td>
<td>Benefits to wider advertising of PIP. However newspaper advertising can be costly and could be overcome by</td>
</tr>
<tr>
<td></td>
<td>could be overcome by requiring this on PIP</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>No height information requirements. This could be overcome by requiring an indicative layout and ensuring proposed amendments in White paper for zoning do not contradict or restrict heights for areas from PIP.</td>
<td>Use of social media as another form of advertisement is advantageous.</td>
</tr>
<tr>
<td>Not appropriate for Commercial if there are any nationally required tests to be carried out or the commercial is the primary purpose of the site.</td>
<td>Potential that it might be attractive to small-medium size developers for major sites.</td>
</tr>
</tbody>
</table>

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

**PIP has not been a method many have opted for in South Hams/West Devon. Since its introduction in 2018 there have been a total of 27 PiP applications. Of these applications, 20 have been refused or withdrawn, and those approved have resulted in a combined total of in-principle permissions for up to 21 dwellings. None have progressed to Technical Approval stage. Therefore, there is uncertainty to the likeliness of which landowners and developers might opt for this process. It could attract smaller-medium size developers to develop with the extension to PiP for major sites reducing costs. However, with the White Paper amendments for Outline permission to Growth areas and the currently adopted local plan and allocations it might not leave many large sites that PiP would apply to.**

**Public sector equality duty**

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

If so, please specify the proposal and explain the impact. If there is an impact – are there any actions which the department could take to mitigate that impact?

It is important to ensure that everyone is fairly consulted upon for all applications and that there is a method of advertising for those people who do not have access to technology. Ensuring traditional methods of advertising are
still carried out by notice would mitigate impacts of people being unaware/not being consulted.

It is also important to ensure that the public fully understand the meaning of PiP. This could be mitigated by ensuring that the public are directed to places/resources to help them understand PiP.

The First Homes consultation document recognised that First Homes could have a negative impact on disabled people and people aged 55 and over. This is because disabled people are more likely to use other affordable housing tenures and because first-time buyers are more likely to be under 55. As First Homes has the potential to reduce the delivery of shared ownership under s106 and reduce the delivery of social and affordable rent, this will inevitably impact on those groups. There is also the potential to negatively impact on Black households. Black households are most likely out of all ethnic groups to have a weekly income of less than £400. Therefore, Black households are less likely to be able to afford a First Home and First Homes will displace housing which they can afford delivered through s106.

We would also urge the Government to consider carefully the accessibility and adaptability standards to which First Homes are built. Housing Made for Everyone (HoME) is a coalition of ten organisations pushing for urgent action to tackle the UK’s acute and growing shortage of accessible homes. HoME calls for the ‘accessible and adaptable’ design standard (set out in volume 1 of the Building Regulations M4 Category 2) to be made the mandatory baseline for all new homes. This must be the case for First Homes. If First Homes are not built to a high enough accessibility standard those disabled people with a high enough income to access the First Homes initiative will not be able to use this scheme as the homes will not be suitable.

It is important also to note that the Government could provide increased support for other forms of housing which would in turn provide more homes for families and first-time buyers which would therefore ease the current situation. For example, if independent living and extra care were better resourced and supported then more older people would be moving out of their family homes and this would therefore free up their houses for younger people. This would help the flow through the housing market. This would aid affordability as these would be homes without the new homes premium and would be likely to be within existing communities where there is already infrastructure.