

Meeting: Housing Rental Company Committee Date: 23rd April 2018

Wards Affected: All

Report Title: Housing Policy and Funding Update

Is the decision a key decision? No (delete as appropriate)

When does the decision need to be implemented?

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1. Proposal and Introduction

- 1.1 This report provides a further update on changes to Government policy and funding that may impact on the delivery of the Council's Housing Strategy.
- 1.2 The government is currently consulting on changes to the National Planning Policy Framework (NPPF) and other supporting documents. The NPPF covers a wide range of planning areas including, but not limited to housing. The Strategic Planning team will lead the work on the Council's NPPF response and the other supporting documentation out for consultation with other officers from across the Council and the TDA feeding in as required. A summary of the key proposals is included which highlights key impacts for Torbay if the changes indicated in the consultation were implemented in their current form.
- 1.3 The Government has also announced a new package of measures to tackle rough sleeping. This accompanies the new Homeless Prevention Duties which came in this month.
- 1.4 The Council was successful in funding from the Land Release Fund to help unlock sites
- 1.5 The Government's response to the Supported Housing Consultation is still awaited

2 Proposed Decision

- 2.1 That the Director of Adult Services and Housing ensure that actions to accommodate these proposed changes are incorporated into the refreshed Housing Strategy Action Plan 18-19.

3. Reason for Decision

- 3.1 To ensure the Council makes best of use of resources to meet its ambition and objectives and is able to respond efficiently and effectively to newly identified opportunities and policy context.

Supporting Information

4 National Planning Policy Framework Consultation

- 4.1 The draft NPPF sets out the Government's objective of significantly boosting the supply of housing, but also sets out government policy on a wide range of other planning matters. The NPPF does not replace statutory development plans (i.e. local and neighbourhood plans); but these plans must have regard to the NPPF.
- 4.2 The draft NPPF is one of a suite of documents published as a result of the Housing White paper ("Fixing our broken housing market" (Feb 2017). Key matters relating to housing are considered (upon an initial read) to be:
- The Presumption in Favour of Sustainable Development is reiterated. A closed list of matters that over-ride the Presumption is specified (in the present NPPF the list is open ended).
 - Reiteration of advice that the need for a full range of housing should be assessed (including for affordable housing, families with children, older people, students, people with disabilities etc).
 - The introduction of a standardised methodology for calculating objectively assessed need. The government's draft methodology indicates a need for 588 dwellings per year in Torbay (more than the current Local Plan requirement of 495 dpa).
 - Needs that cannot be met in an area may be met in neighbouring areas (para61). However existing advice on housing market areas and functional economic market areas has been dropped. This issue will be key for Torbay because it begs the question whether we should ask neighbouring authorities to accommodate any of Torbay's need, in the context of the emerging greater Exeter Strategic Plan (GESP).
 - The draft NPPF contains a stronger emphasis on providing affordable housing than the 2012 NPPF(para 63), and expects onsite provision unless off site contributions can be robustly justified and create mixed and balanced communities.
 - A minimum threshold for affordable housing of 10 dwellings (5 in designated rural areas i.e. AONB in Torbay) is imposed. The Government has been trying to impose this for some years, but has run into legal difficulties.
 - At least 10% of major sites should usually be for "affordable home ownership" (para 64), as part of the overall provision of affordable housing.
 - Greater role for Neighbourhood Plans- Planning authorities should give a housing figure for Neighbourhood Plans to meet (66-67), although there is no requirement for Neighbourhood Plan to include allocations for housing
 - Advice on identifying housing land supply, maintaining five years supply of deliverable sites and longer term trajectory of developable sites is reiterated.

- Emphasis on small sites: 20% of sites should be smaller than half a hectare. Tools such as local development orders, encouragement of windfalls and exception sites, should be used to bring small sites forward.
- Some (qualified) support for larger scale developments.
- Reiteration and clarification of the requirement to maintain a rolling five year supply of housing, plus a buffer of 5%, 10% or 20%. 10% or 20% buffer likely to apply in most cases. Note that the definition of "deliverable" sites has changed (p64) which will make it more difficult to use sites which do not have detailed planning permission as part of five year supply.
- Where 5 year supply cannot be shown, the Presumption in Favour of Sustainable Development applies (para 72, PSD is at para 11). This codifies the Supreme Court's ruling on the operation of five year supply. Neighbourhood Plans enjoy protection if there is a three year supply.
- Introduction of a Housing Delivery Test: where delivery falls below 95% of the requirement over three years, an action plan must be prepared to explain the under-delivery and identify actions to increase delivery.
- Consideration of conditions requiring early commencement of development.
- Support for rural housing where it would support local rural communities.
- Proposed changes to the calculation of Viability to standardise assessments and methodology and emphasis assessment of viability at plan making stage. This is welcomed as it should reduce developers' ability to avoid affordable housing obligations on the grounds of viability.
- Review of S106 Obligations and Community Infrastructure Levy. Proposals to simplify CIL rate setting, removing S106 pooling restrictions in specified circumstances. There are additional duties for councils to publish CIL and s106 receipts.
- Changing definition of Affordable Housing to include housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which is an Affordable Housing for Rent, Starter Homes, Discounted Market Sale or other affordable routes to home ownership. This could include Rent to Own products and entry level homes- suitable for first time buyers, or those looking to rent their first home.
- A requirement for local planning authorities to support the development of entry level exception sites homes.

5 Government Action on Rough Sleeping

- 5.1 It has been announced that there will be a cross-government plan of action and a commitment to halve rough sleeping by 2022 and eliminate it altogether by 2027.

The new package of measures includes:

- a new Rough Sleeping Team made up of rough sleeping and homelessness experts, drawn from, and funded by government departments and agencies with specialist knowledge across a wide-range of areas from housing, mental health to addiction
- a £30 million fund for 2018 to 2019 with further funding agreed for 2019 to 2020 targeted at local authorities with high numbers of people sleeping rough; the Rough Sleeping Team will work with these areas to support them to develop tailored local interventions to reduce the number of people sleeping on the streets
- £100,000 funding to support frontline Rough Sleeping workers across the country to make sure they have the right skills and knowledge to work with vulnerable rough sleepers.

6 Land Release Funding

- 6.1 The Council successful in bidding for land release fund -£3.9m to unlock sites particularly on Council's land in Paignton. The funding will deliver off site highways, drainage improvements and accesses to unlock the sites for future development. It is widely recognised that the cost and extend of infrastructure required to unlock sites is a key issue for viability and deliverability of sites'

Background Documents

NPPF Consultation Proposals

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685288/NPPF_Consultation.pdf

NPPF Draft Text for consultation

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685289/Draft_revised_National_Planning_Policy_Framework.pdf

Draft Planning Practice Guidance

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/687239/Draft_planning_practice_guidance.pdf

Housing Delivery Test- Draft Measurement Rule Book

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685292/Housing_Delivery_Test_Measurement_Rule_Book.pdf

Consultation on Developer Contributions (Planning Obligations and CIL)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/691182/Developer_Contributions_Consultation.pdf

Letwin Review of Build-Out Rates Interim Update

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/689430/Build_Out_Review_letter_to_Cx_and_Housing_SoS.pdf