

<p>Question 1</p>
<p>a) Do you agree with the proposed standard approach to assessing local housing need? If now, what alternative approach or other factors should be considered?</p> <p>b) how can information on local housing need be made more transparent?</p>
<p>Response</p>
<p>Durham County Council welcomes the broad aim of the proposal to develop a consistent methodology to determining and formulating an appropriate housing need for each local authority area. It is further noted that the method, as currently proposed, is transparent. However, there are concerns with the proposed standard approach as proposed. Firstly, it does not align with the overarching aim and purpose of NPPF. Secondly, it omits critical key steps as set out in current PPG, most importantly, demographic sensitivity testing and the assessment of employment trends across the planning period. Finally, the approach as presented does not consider the implications of vacancy rates within housing stock</p>
<p>National Planning Policy Framework - NPPF</p> <p>Para. 19 of the NPPF suggests that “the Government is committed to ensuring that the planning system does everything it can to support sustainable economic growth. Planning should operate to encourage and not act as an impediment to sustainable growth. Therefore significant weight should be placed on the need to support economic growth through the planning system.” Para. 20 of the NPPF goes on to state that “to help achieve economic growth, local planning authorities should plan proactively to meet the development needs of business and support an economy fit for the 21st century.”</p> <p>In doing this, NPPF states that local planning authorities should work together with county and neighbouring authorities and with Local Enterprise Partnerships to prepare and maintain a robust evidence base to understand both existing business needs and likely changes in the market; and, work closely with the business community to understand their changing needs and identify and address barriers to investment, including a lack of housing, infrastructure or viability.” (Para. 160).</p> <p>The consultation paper does recognise the importance of supporting sustainable economic growth through the plan making process. At Para. 46 the consultation paper sets out that:</p> <p>“Plan makers may put forward proposals that lead to a local housing need above that given by our proposed approach. This could be as a result of a strategic infrastructure project, or through increased employment (and hence housing) ambition as a result of a Local Economic Partnership investment strategy, a bespoke housing deal with Government or through delivering the modern Industrial Strategy. We want to make sure that we give proper support to those ambitious authorities who want to deliver more homes. To facilitate this we propose to amend planning guidance so that where a plan is based on an assessment of local housing need in excess of that which the standard method would provide, Planning Inspectors are advised to work on the assumption that the approach adopted is sound unless there are compelling reasons to indicate otherwise.”</p> <p>However, the use of a combination of baseline ONS-SNPP and DCLG housing projection data together with the application of a formula to account for housing affordability at the local level. In these terms, the derived figure of 1,368 dwellings per annum is transparent.</p>

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However, given the importance of ensuring plans support sustainable economic growth, as set out in NPPF, it is considered that a specific methodology is required to assess the impact of the matters set out in paragraph 46 of the consultation. In the absence of a clear and transparent method by which to assess the implications of employment trends it is likely that this will remain a major area of uncertainty and speculation in the development of a figure for housing need.

Planning Policy Guidance - PPG

PPG is clear with regard to a stepped process by which to determine local housing need. The following steps are set out in PPG:

1. Establish the relevant functional area to assess needs – for housing need, this is the Housing Market Area (HMA) as defined by PPG (Paragraph: 010 Reference ID: 2a-010-20140306).
2. Make use of the household projections published by DCLG as the starting point estimate (PPG Paragraph: 015 Reference ID: 2a-015-20140306).
3. Consider sensitivity testing specific to their local circumstances, based on alternative assumptions in relation to the underlying demographic projections and household formation rates. (PPG Paragraph: 017 Reference ID: 2a-017-20140306).
4. Take account of employment trends (Paragraph: 018 Reference ID: 2a-018-20140306) by making an assessment of the likely change in job numbers based on past trends and/or economic forecasts as appropriate and also having regard to the growth of the working age population in the housing market area.
5. Take account of market signals (Paragraph: 020 Reference ID: 2a-020-20140306).
6. Consider an increase in the total housing figures where it could help deliver the total number of affordable homes (Paragraph 029: Reference ID: 2a-029-20140306)

Again, in the context of PPG it is clear that two key steps are deleted from the methodological process proposed by DCLG (steps 3 and 4 above).

Firstly, there is no means by which to identify and consider alternate demographic scenarios based upon longer term historic demographic data. There is a concern that shorter term trends can be more susceptible to one off events in the economic cycle (for example the financial crash post 2007) which can downwardly suppress demographic data in the short term. It is therefore reasonable to develop demographic scenarios based upon longer term trends in order to capture the effects of a full economic cycle. This ability is not afforded through the methodology which has been proposed in the consultation paper and which only reflects a shorter term trend. This considers only a starting point housing number based upon the projected period 2016-2026 in isolation from historic demographic trends.

In order to address this concern, the methodology should make provision to consider a long term trend. This would ensure that demographic trends are considered over a longer term than the baseline shorter term trend.

Secondly, in relation to the consideration of employment trends, there is no prescription within the methodology to consider the implications of either past employment trends or future employment forecasts as part of the assessment of sustainable economic growth in a transparent way. This is

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a major omission and neglects a key and significant link in the process. It is well understood that where the size of an area’s working age population is not sufficient to meet with forecast expectations of employment growth then enhanced net migration may be required to meet the shortfall. This, in turn, may have implications for an uplift in local housing numbers. It would appear that the process to determine employment trends does not fully reflect this potential range of employment circumstances.

It is considered that a mechanism for the assessment of future jobs, based on past trends or economic forecasts (as appropriate) and the implications for housing need should be included in the methodology. It is recognised that the current PPG methodology does not prescribe an approach to address this issue, and that this has been interpreted in different ways which has in part contributed to the length of Local Plan examinations and S.78 appeals. Whilst paragraph 46 of the consultation document notes that increased employment is a consideration in assessing housing needs, no method is prescribed. The document at present will not serve to shorten discussions at examinations or appeals.

Vacancy Rates

The relationship between households and dwellings in local housing need scenarios is usually modelled using a ‘vacancy rate’, sourced from the 2011 Census. The vacancy rate is calculated using statistics on households (occupied, second homes and vacant) and dwellings (shared and unshared). This factor has not been given any consideration in the context of the consultation paper.

A vacancy rate of 4.1% for County Durham is applied, based upon the Census 2011 figure. Using this vacancy rate, the ‘dwelling requirement’ for each household growth trajectory is determined. This results in a dpa figure which is higher than the household change figure which would appear to have been presented by DCLG. If a 4.1% vacancy rate were to be applied to the 1,368 ‘dpa’ presented for County Durham, then the dpa figure would rise to 1,425 dpa.

It is proposed that a local figure on vacancy rates is applied for each plan area derived from the most recent census information.

Question 2

Do you agree with the proposal that an assessment of local housing need should be able to be relied upon for a period of two years from the date a plan is submitted?

Response

This proposal is welcomed as it would avoid the need to recalculate local housing need following the submission of a local plan. From past experience this has led to delays and considerable uncertainty both during and following the examination process. Whilst the data release cycle for both ONS-SNPP and DCLG household projection data is now on a more regular and synchronised two yearly cycle there have been occasions in recent years when this was not the case. Further, household projection data was released in two stages at one point. There have also been other local instances in which revised SNPP data has been released just days prior to an Examination in Public leading to the need to completely revisit the local housing need number at short notice. The development and presentation of demographic evidence to support local housing plans is subject to an increasing degree of public scrutiny. In these circumstances it is important to avoid the potential to introduce new data sources which can be subjected to divergent modes of

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interpretation once an Examination in Public process is underway. When new data has been introduced to an EiP process this has invariably resulted in further obfuscation and confusion in relation to a contested area. The proposed two year period would address these issues

Local Plan development is undertaken in stages (in line with regulation 18 and 19). It is therefore prudent to ensure that local housing needs assessments developed at each plan stage can be relied on for a period of 2 years. The concern is that, evidence developed as part of a preferred option or other pre submission stage local plan could be undermined by release of data. This would mean that plan making would be delayed. A two year period associated with each plan stage would enable greater certainty in plan production and evidence development.

Question 3

Do you agree that we should amend national planning policy so that a sound plan should identify local housing need using a clear and justified method?

Response

Durham County Council is committed to adopting a sustainable and deliverable local plan at the earliest opportunity. As well as meeting its housing requirement in terms of quantum, the Council also requests that policy ensures we can deliver the right houses in the right locations to support a strong and competitive economy. In order to progress a local plan for County Durham, it is necessary that stability and certainty is brought to the plan making process.

The Housing White Paper also consulted on a change to the soundness tests to 'an' appropriate strategy for the area. We welcomed that proposal and similarly welcome the proposal to amend the soundness tests further to ensure development needs are identified using a clear and justified method as well as meeting objectively assessed development needs insofar as is reasonable possibly.

Paragraph 9 of the consultation document suggests that local authorities then need to determine whether there are any environmental designations or other physical or policy constraints which could prevent authorities from meeting this need. Whilst the National Planning Policy Framework (NPPF) is clear that Green Belt boundaries should only be altered in exceptional circumstances, the Housing White Paper then seeks comments on whether to amend national policy to make clear that authorities should amend Green Belt only when they can demonstrate that they have examined full all other reasonable options. The inference from the Housing White Paper is that unmet housing need is a legitimate exceptional circumstances to be considered through the plan making process however the current consultation seems to suggest that need does not need to be met.

In principle, it is therefore agreed that a sound plan should identify local housing need using a clear and justified method subject to the detailed comments set out against other questions. However more clarity and guidance is needed regarding instances where circumstances can be regarded as exceptional to allow local authorities to have confidence in their ability to produce a sound plan.

We also note in paragraph 91 that the Government will engage with a range of stakeholders to update planning guidance on identifying the housing need for individual groups. It is unclear from paragraph 39 whether it will remain a role of the strategic housing market assessment to identify the housing need for these individual groups or whether a completely new process is likely to be included within the updated planning guidance.

Question 4

Do you agree with our approach in circumstances when plan makers deviate from the proposed method, including the level of scrutiny we expect from Planning Inspectors?

Response

Whilst we welcome the intent that plan makers may put forward proposals that lead to a housing figure above the Government's proposed approach, It is suggested that the proposed method would greatly benefit from specific mechanisms or steps to accommodate for the matters as set out in paragraph 46 of the consultation. Whilst examples are given, no detail or guidance is provided regarding how an authority could go about calculating an appropriate uplift or what compelling reasons could indicate that this approach would be sound. For example, whether an uplift would be justified if it included an authority looking at exceptional circumstances for the consideration of releasing Green Belt land.

The County Durham Plan Issues and Options (June 2016) set out three population growth scenarios within the '[County Durham Demographics Analysis and Forecasts](#)' resulting in 1,717 houses per year; 1,629 houses per year and 1,533 houses per year. The Government's proposed housing number for County Durham is 1,368 which is at least 165 houses per year less than our assessment of housing need. Given that the National Planning Policy Framework (NPPF) seeks to boost significantly the supply of housing it is unclear how the Government's consultation allows for this.

Question 5

a) do you agree that the Secretary of State should have discretion to defer the period for using the baseline for some local planning authorities? If so, how best could this be achieved, what minimum requirements should be in place before the Secretary of State may exercise this discretion, and for how long should such deferral be permitted?

b) do you consider that authorities that have an adopted joint local plan, or which are covered by an adopted spatial development strategy, should be able to assess their five year land supply and/or be measured for the purposes of the Housing Delivery Test, across the area as a whole?

c) do you consider that authorities that are not able to use the new method for calculating local housing need should be able to use an existing or an emerging local plan figure for housing need for the purposes of calculating five year land supply and to be measured for the purposes of the Housing Delivery Test?

Response

a) It is agreed that in some specific cases more flexibility may be required in relation to the timescales before applying the baseline. For consistency however this should be limited to a small number of circumstances.

b) Authorities should only be able to assess five year land supply against adopted joint local plans/adopted spatial development strategy in instances where it recognised that the assessments of housing needs which informed them are not out of date.

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c) More information and clarity would be needed setting out the instances where authorities are unable to use the new method for calculating local housing, however, citing the examples given (where local planning authorities do not align with local authority boundaries) it is logical to use any locally identified housing need figure which exists in the absence of anything else.

Question 6
Do you agree with the proposed transitional arrangements for introducing the standard approach for calculating local housing need?
Response
In December 2016, Durham County Council paused the progression of the County Durham Plan owing to the then imminent release of the Housing White Paper. The proposed transitional arrangements will therefore not apply. However in order to be able to progress a local plan at the earliest opportunity it is necessary to ensure certainty and stability in the plan making process.

Question 7
a) do you agree with the proposed administrative arrangements for preparing the statement of common ground?
b) how do you consider a statement of common ground should be implemented in areas where there is a Mayor with strategic plan-making powers?
c) do you consider there to be a role for directly elected Mayors without strategic plan-making powers, in the production of a statement of common ground?
Response
a) Although it appears logical that Statements of Common Ground are produced over housing market areas it is not clear how this would work when the local authority is a self contained housing market area. There is a suggestion that alternative areas can be agreed if justified but how exactly this would work in the case of an authority like County Durham which has boundaries with 10 other authorities including unitaries, districts and counties. More guidance on determining the areas for Statements of Common Ground is therefore required.
The proposal that local authorities should only be signatories to those strategic issues in which they have an interest is sensible and it also makes sense that counties and Marine Management Organisation can also be signatories where relevant.
b) No Comment.
c) No Comment.

Question 8
Do you agree that the proposed content and timescales for publication of the statement of common ground are appropriate and will support more effective co-operation on strategic cross-boundary planning matters?
Response
<p>Durham County Council take the legal, policy and practice requirements of the duty to cooperate very seriously and work positively with neighbouring authorities and other statutory consultees on strategic matters. This is in terms of maximising the effectiveness of the plan making process and cooperating and engaging with the relevant bodies on an ongoing basis with regard to strategic matters, including development and infrastructure requirements and other cross boundary issues. We are ensuring that there has been effective joint working on cross boundary strategic matters and priorities by setting in place clear processes for fulfilling the duty.</p> <p>Through its Duty to Cooperate, we have maintained a record of discussions on strategic issues with the Prescribed Bodies particularly where issues have arisen and collated evidence of how these issues have been overcome and resolved. It would appear appropriate for the Statement of Common Ground to be in addition to the Duty to Cooperate to ensure that strategic matters such as Habitats Regulations Assessment with Natural England or any strategic highway issues with Highways England are addressed also.</p> <p>This existing work could form the starting point for our Statement of Common Ground and therefore the requirements for the six month and twelve month timescales appear reasonable although the timing of decisions made by individual local authorities may need to be taken into consideration i.e. at different stages in plan making. In addition to the key milestones set out in the regulations it would also be sensible to publish a Statement of Common Ground alongside a Preferred Options if this stage was undertaken.</p> <p>However what is not clear is if the Statements of Common Ground are in addition to the Duty to Cooperate or actually replace it. If it is additional work this will have some resource implication but would make more sense than if it is a replacement particularly in areas which are self contained housing market areas.</p> <p>In addition the Statement of Common Ground appears to introduce a Duty to Agree which could in itself fetter decisions of a local authority. The requirement to agree could well bring about risks in terms of delays to local plan production in terms of reaching a ransom where matters cannot be agreed for example.</p>

Question 9
<p>a) do you agree with the proposal to amend the tests of soundness to include that:</p> <ul style="list-style-type: none"> i) plans should be prepared based on a strategy informed by agreements over the wider area; and ii) plans should be based on effective joint working on cross-boundary strategic priorities, which are evidenced in the statement of common ground? <p>b) do you agree to the proposed transitional arrangements for amending the tests of soundness to ensure effective co-operation?</p>

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Response
<p>a i) Whilst in principle, the proposal to amend the tests of soundness to ensure plans are prepared based on a strategy informed by agreements over the wider area is sensible, clarity is required on what the Government deems to be 'the wider area'. This is particularly relevant in areas such as County Durham which is a self contained housing market. As a self contained housing market area it is unclear how the proposal for a Statement of Common Ground will operate and whether they are prepared by neighbouring authorities regardless of whether or not they share a housing market area.</p> <p>a ii) National Planning Policy Framework (NPPF) at paragraph 156 sets out strategic priorities for the area. These strategic priorities have been the starting point for discussions with prescribed bodies for the purposes of the Duty to Cooperate. Through its Duty to Cooperate, we have maintained a record of discussions on strategic issues with the Prescribed Bodies particularly where issues have arisen and collated evidence of how these issues have been overcome and resolved. This could form the starting point for our Statement of Common Ground and therefore the timescales appear reasonable although the Statement of Common Ground could be better published alongside each stage of the plan making process. We would reiterate however that the Statement of Common Ground appears to introduce a requirement to agree which could result in delays to the plan-making process in some situations. An inability to agree to a Statement of Common Ground does not in itself indicate a plan is unsound in principle.</p> <p>b) We are committed to adopting a sustainable and deliverable local plan at the earliest opportunity. In order to progress a local plan for County Durham, it is necessary that stability and certainty is brought to the plan making process. The transitional arrangements for the Statement of Common Ground appear reasonable although clarity is required regarding self contained housing market areas and whether and what Government deems to be a 'wider area'. This needs to be considered ahead of the publication of the revised NPPF.</p>

Question 10
<p>a) do you have suggestions on how to streamline the process for identifying the housing need for individual groups and what evidence could be used to help plan to meet the needs of particular groups?</p> <p>b) do you agree that the current definition of older people within the National Planning Policy Framework is still fit-for-purpose?</p>
Response
<p>a) This is an extensive question relating to the methodology of the Strategic Housing Market Assessment rather than the proposed methodology on housing numbers. We have limited our comments to the types and tenures specifically identified in the text of the consultation but the issue could perhaps be better addressed in a separate consultation:</p> <p>Older and disabled people, Affordable Housing, Families with children: Reliable and annually up-dated evidence on the size, detailed nature and broad accessibility of the housing stock in each local authority area is collected by the valuation office for Council Tax purposes. Skeleton information is published for each local authority, although is not routinely used. Further development and categorisation of this evidence base by, for instance, cross analysing it with social housing address</p>

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data, ensuring it can be broken down by super output area, etc would be enormously beneficial in planning for older peoples/disabled housing, affordable housing, family housing, and housing for newly forming households. For instance, such an approach could accurately differentiate the number of private and social bungalows in each area, which cannot currently be achieved.

Affordable housing and Older People: In the context of a rapidly aging society, it would be helpful if the DCLG collected and published information in the DCLG live tables on the number of social houses in each local authority area, sub divided by retirement housing and general needs housing. It would also be helpful if the DCLG similarly published information on new affordable housing completed, subdivided by retirement and general needs housing. Social retirement housing is often needed to meet medical need as much as affordability need.

Self-build and custom build development: It would be helpful if clearer guidance was given to authorities in Planning Practice Guidance on how to define housing sites with planning permission which could reasonably be considered to be suitable as serviced self build/custom build sites for the purposes of interpreting recent regulations on this issue.

Student accommodation: The baseline demographic figure used in the standard methodology appears to exclude those aged 18-21. County Durham includes a major University City and the majority of its substantial student population is in this age group. The standard methodology needs to clarify if this age group has indeed been excluded. If so, the methodology needs to clarify whether local authorities which include an University Cities, like County Durham, can add an allowance for students to their future housing figure, incorporating any plans that universities may have for their future growth.

Travellers who have ceased to travel: County Durham has extensive experience with Gypsies and Travellers. It has the second highest number of social pitches of any authority in England and routinely manages seasonal travel to events like Appleby Fair. It has also been recognised as a best practise authority in its management of Gypsy and Traveller sites. Despite the Council's positive relationship with its Gypsy and Traveller Community and very extensive efforts, we have been unable to identify or understand the needs of our housed Gypsy and Traveller population, which we know accounts for the majority of this population. Our recent Travellers Assessment also shows that census figures on this population are extremely inaccurate. In the context of our experience, it is clear that it would be extremely difficult indeed to plan for the housing needs of this group. It would indeed be harder to make a practical assessment of their needs than it is for the site population – which experience across the country has already shown to be a very challenging exercise.

Private rented sector and build to rent housing: The extent of the private rented sector has changed rapidly over the past ten years. The census is the only reliable information which can be broken down to meaningful geographies and this quickly becomes out of date. Better information to identify changing trends in the extent of the private rented sector at geographies relevant to planning could perhaps be achieved through a breakdown of information from the Valuation Service which informs the Local Housing Allowance and/or tax returns which give details of income from rental properties.

b) The definition of older people in Annex 2 does require some amendment. The current definition is limited to people of retirement age or above. In the context of an aging society, there are two reasons why we consider this definition of older people to be too narrow:

1. Research clearly shows that people experience the disabilities of old age at varying ages depending on socio-economic group, lifestyle, employment issues (like being employed in manual trades), and genetic inheritance. This is unrelated to a retirement age which is ever

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increasing. It is well documented that those living in poorer areas, in particular, can have life expectancy which is significantly below the national average. Their housing needs as they age, sometimes prematurely, need to be understood and accommodated in planning for housing.

2. Many in older age groups that are below retirement age, whether they are disabled or in good health, have positive plans or aspirations to move to housing which will better meet their needs as they age. In an aging society, it is particularly important to understand and plan for these demands and aspirations, which also address issues of under-occupation and increasing the availability of family housing. It would be misleading for the definition to suggest that these general needs could be met purely by accessible and adaptable homes, rather than specific house types.

The definition of older people could therefore be improved by including the following: 'People under or over retirement age experiencing the disabilities of old age or people who are of an age where they wish to make plans to move to housing which better meets their needs as they age.'

This can encompass those who are active and continue to work, are retired, or are increasingly experiencing the disabilities of old age, including the frail elderly. Their housing needs can encompass appropriate general needs housing like bungalows, flats and accessible housing for those looking to downsize from family housing along with the full range of retirement and specialist housing for those with support or care needs.

Question 11

a) should a local plan set out the housing need for designated neighbourhood planning areas and parished areas within the area?

b) do you agree with the proposal for a formula-based approach to apportion housing need to neighbourhood plan bodies in circumstances where the local plan cannot be relied on as a basis for calculating housing need?

Response

a) The introduction of this proposal as an absolute requirement of local plans would only be workable in practice if there is full coverage of such areas falling within the local authorities jurisdiction and/or that the neighbourhood areas are contiguous with the parish area to which they relate. For example within County Durham there are currently 102 parish areas and 22 designated neighbourhood plan areas. Some of these neighbourhood areas relate to only part of a parish area. Additionally part of the county remains unparished and not subject to a neighbourhood area designation.

In addition not all neighbourhood plans emerging within the county are seeking to specifically address housing need. Therefore whilst the council considers that this may, in some cases, be a relevant geographical basis to set a housing need figure, a degree of flexibility should be allowed to cater for these localised situations where this would not be appropriate, for example where the parish is very small.

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b) The council considers that this approach would be very difficult to apply. The areas covered by neighbourhood plans can sometimes be very small to the point where an application of a formula would be impractical. Furthermore distributing the housing need figure proportionate to all neighbourhood plan areas would prejudice a local plan's ability to distribute housing according to a plan strategy.

Question 12

Do you agree that local plans should identify the infrastructure and affordable housing needed, how these will be funded and the contributions developers will be expected to make?

Response

National Planning Policy Framework (NPPF) at paragraph 173 to 177 sets out that sustainable development requires careful attention to viability and costs in plan-making and decision-taking and this includes requirements for affordable housing and infrastructure contributions. Paragraph 174 is clear that policies on local standards are set out in the Local Plan, including requirements for affordable housing. This is the purpose of a whole plan viability study together with the Infrastructure Delivery Plan. It is unclear what additional changes to the NPPF would achieve. In order to progress a local plan for County Durham, it is necessary that stability and certainty is brought to the plan making process.

Question 13

In reviewing guidance on testing plans and policies for viability, what amendments could be made to improve current practice?

Response

In order to progress a local plan for County Durham, it is necessary that stability and certainty is brought to the plan making process. Planning Practice Guidance (PPG) recognises that the testing of viability at a plan making stage has to be proportionate and given the range of site allocations it is not proportionate to individually test each site and therefore broad assumptions must be made. This is recognised within Paragraph: 006 Reference ID: 10-006-20140306. Local Plans must remain responsive to change with in built flexibility to respond to changing market conditions.

In order to ensure that policies including affordable housing are tested. It is necessary for the proposed change in affordable housing definition to be resolved at the earliest opportunity so it can be taken into account in assessing the plan viability.

PPG is helpful that it recognises that viability with plan making and decision taking however as this consultation recognises local authorities do face challenge from the development industry about providing evidence around land values and other costs and revenue. It is not in the interests of developers to provide this information and therefore negotiations at both the plan making and decision taking stage can prove challenging for local authorities.

Question 14
Do you agree that where policy requirements have been tested for their viability, the issue should not usually need to be tested again at the planning application stage?
Response
<p>County Durham is a unitary authority which covers over 232 communities of differing character and size. To ensure a deliverable local plan, the costs of policy requirements to be applied to development including affordable housing, sustainable drainage, open space and other infrastructure requirements such as education will need to be taken into account to ensure that development is viable. The scale of the County means that there are significant differences in viability across the geographical area to the point where high value can be right next to low value areas.</p> <p>In order to test plan viability, assumptions which relate to new development such as build costs, sales prices, profit, abnormal costs and land values can be applied but these are only assumptions. Realistic assumptions are applied but these may not be appropriate to an actual site specific circumstance once further evidence becomes available to the developer for example unanticipated abnormal site specific costs. In our experience in County Durham, there are too many variables to be relied upon for the plan making stage and this will also mean that assumptions will be more heavily challenged at the plan making process placing the burden of proof on the local authority.</p> <p>We agree that the policy requirements should be set out at the plan making stage and these must be taken into consideration during negotiations between a developer and the landowner, however the inability to test viability at a planning application stage is likely to mean there is little opportunity to negotiate in circumstances where costs were unexpectedly higher. Our practice is that we only discuss viability at a planning application stage if the proposal is not compliant with policy e.g. A scheme is unable to deliver the full requirement for affordable housing. In areas where viability is a challenge this could ultimately render sites unviable with little opportunity to negotiate on policy requirements to allow the site to be delivered and also a lower proportion of affordable housing to be negotiated.</p>

Question 15
How can Government ensure that infrastructure providers, including housing associations, are engaged throughout the process, including in circumstances where a viability assessment may be required?
Response
<p>As part of the plan making process, we have worked with statutory undertakers, utility companies and other agencies to identify the need for new infrastructure. If additional infrastructure is not delivered alongside new development, it can put pressure on existing facilities that may not have the ability or capacity to cope with the additional demand. Local Plans need to be supported by Infrastructure Delivery Plans for this purpose and will play a key role in securing private sector involvement in infrastructure delivery, and in aligning the programmes of various providers. Traditionally we have strong involvement from housing associations and infrastructure providers with the exception of gas and electricity providers. In our experience it is increasingly difficult to engage with these.</p>

Question 16
What factors should we take into account in updating guidance to encourage viability assessments to be simpler, quicker and more transparent, for example through a standardised report or summary format?
Response
Currently any negotiations with applicants that take place in County Durham involve viability assessments which are kept confidential for commercial reasons. Already we receive viability appraisals which apply assumptions which have been made for plan making purposes rather than actual information on costs for example. A summary format may not necessarily be appropriate for a situation where challenge is provided to the assumptions. The risk of making such viability assessment publicly accessible is that developers will be even more reluctant to demonstrate their true costs and will instead default to generalised assumptions which will hinder an authority's ability to effectively challenge and negotiate.

Question 17
<p>a) do you agree that local planning authorities should set out in plans how they will monitor and report on planning agreements to help ensure that communities can easily understand what infrastructure and affordable housing has been secured and delivered through developer contributions?</p> <p>b) what factors should we take into account in preparing guidance on a standard approach to monitoring and reporting planning obligations?</p> <p>c) how can local planning authorities and applicants work together to better publicise infrastructure and affordable housing secured through new development once development has commenced, or at other stages of the process?</p>
Response
<p>a) Durham County Council consider that this is important, from a transparency and accountability perspective, to monitor and have information available to demonstrate what contributions will be forthcoming from developments in an area. However it may be more appropriate to report the information in a Annual Monitoring Report or Statement of Community Involvement rather in the main body of a local plan.</p> <p>b) The factors which should be taken into account is the relevant information that people within a community would be interested in, i.e. what obligation the development related to, how much it is, and where it is going to be spent within the local area. We would seek clarification on why it would be necessary to include this in a local plan however if the Government intends to provide guidance on this matter.</p> <p>c) A local planning authority and applicants could issue press releases or maintain website pages (whether hosted by the applicant, local planning authority or jointly) which lets the community know what is happening with the development, and what has and will be delivered in the future. It could also provide details setting out what projects the community might be able to access, or influence what s106 monies should be spent on.</p>

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However, it is recognised that joint developer/local planning authority press coverage may lead to perception or angst in the community if it was a particularly contentious application that was approved.

Question 18

a) do you agree that a further 20 per cent fee increase should be applied to those local planning authorities who are delivering the homes their communities need? What should be the criteria to measure this?

b) do you think there are more appropriate circumstances when a local planning authority should be able to charge the further 20 per cent? If so, do you have views on how these circumstances could work in practice?

c) should any additional fee increase be applied nationally once all local planning authorities meet the required criteria, or only to individual authorities who meet them?

d) are there any other issues we should consider in developing a framework for this additional fee increase?

Response

a) No, because delivery of housing is often outside of the control of local authorities, Local authorities can grant the permissions, but have no control over the market or whether developers will build out the sites and consents. A more appropriate criteria to measure this would be the level of consents granted to enable enough homes to be built for their community's needs.

b) Yes, see previous answer. Speed of delivery of consents could be an example.

c) It should only apply to individual authorities who meet them.

d) Consideration should be given to an option of doubling the application fees but with developers getting a rebate if they build out their scheme within a set time. If they do not deliver then they would not get a refund. It would be much more effective having incentives for implementing consents rather than just landbanking them.

Question 19

Having regard to the measures we have already identified in the Housing White Paper, are there any other actions that could increase build out rates?

Response

It is considered that more incentives and options are needed nationally to stimulate house building, such as allowing local authorities to build more housing and the ability of local authorities to take into consideration past performance (track record) of those applying for consent.

Question 19

Durham County Council is keen to ensure sites with permission come forward to meet identified housing needs and to introduce measures which would achieve this. It would therefore be useful to take into account the realistic prospect of housing being built on a site which has had a past history of the non implementation of earlier permissions. Such a site may be counted as a 'commitment' within the housing development pipeline therefore being counted towards meeting future housing needs. It is important therefore that commitments will genuinely deliver new housing.

It is suggested that one approach would be to introduce a two stage approach to implementation of a planning consent for all schemes. The first stage would be the preliminary acts which means anything done on the site is actually governed by the permission. The second would mean revisiting what is meant by 'colourable' implementations for section 56 purposes. At present, a permission can be kept alive by digging a trench for future foundations. There is an opportunity to amend this definition to make the start more meaningful such as having to develop estate roads.