

## REPORT OF THE HEAD OF PARK DIRECTION

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### **SUBJECT:**

### **HOUSING WHITE PAPER: HOMES FOR WALES: A WHITE PAPER FOR BETTER LIVES AND COMMUNITIES**

#### Purpose of Report

The purpose of this report is to seek Members formal approval of the National Park Authority response to the above paper. This report concentrates on the planning issues arising from the paper.

#### Background

By way of background in May 2012, the Welsh Government published 'Homes for Wales - A White Paper for Better Lives and Communities'. In his foreword, the Minister for Housing, Regeneration and Heritage Huw Lewis says: *"We want to see more affordable housing, better quality housing and improved services."*

The White Paper is one of the first steps towards the Housing Bill that is scheduled for autumn 2013. It describes proposals for new legislation and other non-legislative action, which in summary is intended to:

- increase the supply of new homes (7,500 new affordable homes and 5,000 empty properties to be brought back into use)
- improve the quality of existing homes
- help prevent homelessness and improve services to help people lead healthy and independent lives
- contribute to ending family homelessness by 2019

The consultation on the White Paper runs until 17 August 2012.

#### Proposed Response

#### **Gypsy and Traveller Sites**

There will be a duty on Local Authorities to provide sites for Gypsy and Traveller communities where there is evidence of a clear need for new sites. The White Paper acknowledges that there are only 18 Gypsy and Travellers sites (spread between 13 of the Local Authorities) across the country. Demand far outweighs supply, which often leads to unauthorised encampments which are illegal and unsafe for both Gypsies and Travellers and the surrounding communities. The White Paper states:- *"Evidence in Gypsy and Traveller Accommodation Needs Assessments and Local Development Plans identifies a clear and urgent need for new sites. However, local authorities have been unable to progress plans to develop new sites. Current legislation imposes various duties on local authorities. It requires them to have regard to the provision of suitable and sufficient sites in their area but falls short of an explicit statutory requirement and problems are experienced when trying to obtain*

*planning permission. The situation cannot continue. Where the need for Gypsy and Traveller sites has been identified and not met by the relevant local authorities, we will place a duty on them to ensure they take action to provide them.”*

**Proposed Response:** This duty will be on the relevant housing authority. Assuming provision of sites will be funded by the Welsh Government then this is welcomed. Currently there is no need identified within the Pembrokeshire Coast National Park. Policy 47 Gypsy Sites of the adopted Local Development Plan will be used where a need is identified to consider proposals.

## **Housing Supply**

Perhaps belatedly, the Welsh Government has acknowledged there is a pressing need for both affordable and market homes, stating that:

*“Research has estimated the need for 9,200 new market homes annually, defined as homes for owner-occupation or private rented homes, and 5,100 non-market homes. The latter includes homes provided by local authorities and housing associations, and private rented properties subsidised by Housing Benefit. While the rate of household formation, which underpins the estimates, may have slowed due to economic and other factors such as tighter mortgage markets, the overall need for housing remains high.”*

In discussing problems of housing supply, the White Paper realises there are many pertinent factors, including land, construction, finance, housing options for householders and price, which in turn, is affected by supply and demand. Planning policy is also mentioned, alongside the use of public land for housing and Welsh Government’s role in helping local authorities to fulfil their statutory role in meeting people’s housing needs. Building regulations, affordable housing obligations and the Community Infrastructure Levy are also listed as being relevant.

*“We recognise factors which may be preventing stakeholders from contributing to increasing supply. House builders identify negative land values, the requirements of Section 106 Agreements and building regulations as having potentially negative impacts. Continual dialogue is essential to resolve these issues in a way that supports our common economic, social and environmental objectives.”*

**Proposed Response:** Any initiative to increase affordable housing provision is welcomed.

A central issue arising from the consultation for this Authority concerns development viability and the potential effect on this of the Local Development Plan requirements for affordable housing provision. Local Development Plan Policy 45 seeks to negotiate a minimum of 50% affordable housing (in certain specified centres the level is higher, rising to 100% in one location) as part of all developments of 2 units or more, and an equivalent contribution to affordable housing provision in respect of single dwelling sites. However, the penultimate paragraph of policy 45 indicates that, whilst a high priority will be given to the delivery of affordable housing, in certain circumstances an element of flexibility as regards other scheme requirements may exist where the development would otherwise be financially unviable. Moreover, the wording of policy 45 indicates that the level of affordable housing required may involve an element of negotiation. This enables a degree of flexibility to be applied in

practice where absolute insistence on the identified level of provision sought by Policy 45 in a particular instance can be demonstrated to render a proposed scheme unviable.

Supplementary planning guidance produced by the Authority also confirms a degree of flexibility, for instance by a rounding-down of the number of affordable units required, which particularly in the case of smaller sites can have a significant effect on overall scheme viability. The Authority's Supplementary Planning Guidance also provides detailed advice on submitting viability appraisals where an applicant advises that the cost of providing affordable housing means that the site will not be viable.

The White Paper also recognises that there is a spatial dimension to housing which requires collaboration between local authorities, indeed the paper states that, "*a regional approach to the planning and delivering of housing developments is needed, which takes account of city regions and travel to work patterns.*"

**Proposed Response:** The Authority supports collaborative initiatives in terms of delivering housing demand. It does, however, wish to ensure that affordable housing need is delivered as locally as possible.

Local Authorities will also be required to produce and regularly update Local Housing Market Assessments:

*"We consider there is a need to put the production and regular updating of such Assessments on a statutory basis and that local housing authorities should be charged with this responsibility."*

**Proposed Response:** The Authority supports the proposed statutory requirement to prepare Local Housing Market Assessments. Again it is assumed that local authorities will be adequately funded to prepare these assessments.

Interestingly, the paper acknowledges that despite changes to the planning system, more needs to be done to secure the delivery of an adequate supply of housing. Specific barriers mentioned include "*inconsistencies across the country in relation to the delivery of planning policy, the absence of Local Development Plans in some areas and the lack of an adequate spatial dimension to planning policy and delivery.*"

The paper emphasises that planning decisions are made at the local-level, but that LPAs should adopt Local Development Plans at the earliest opportunity. A review of the Local Development Plans thus far adopted will be published in summer 2012. Furthermore, in a bold step, the paper calls for each Local Authority to have a Champion for housing (ideally at cabinet level) to promote the need for housing. Local Authorities should have already been doing this in considering planning applications, but the designation of such a Champion may help drum the message into hitherto closed ears.

**Proposed Response:** The review of Plans would include this Authority's Local Development Plan. The outcomes of the review are awaited. The recommendation regarding a housing champion for the housing authority is welcomed.

## **Affordable Housing and S106**

The paper states that:

*'Whilst Section 106 Agreements have proved to be more challenging in the current economic conditions, local authorities have been able to continue to use this approach to increasing the supply of affordable housing. However, there are inconsistencies in approach that can act as a barrier. We are therefore working with the Welsh Local Government Association and key partners to provide further updated guidance for local planning authorities to effectively secure affordable housing via Section 106 Agreements that is accessible and fundable for households and responds to the needs of the local population.'*

However the paper does make it clear that S106 is not the only means of securing affordable housing and that the WG will assess other ways of doing so, for example through Community Land Trusts and Housing Associations.

**Proposed Response:** The guidance on S106 agreements is awaited when its implications can be considered for the work of the Authority. Although it is recognised that it is a difficult balance to strike it is important to ensure that in making S106s fundable that the homes provided remain affordable and local in perpetuity.

## **Empty Homes**

The White Paper identifies that there are 22,000 empty homes within the private sector; the Welsh Government are committed to their 'Houses to Homes' programme to try and bring these back into use, as well as reviewing council tax and other arrangements.

**Proposed Response:** This initiative is being led by Pembrokeshire County Council as housing authority with the support of the Rural Housing Enabler. Research into the number of empty homes in Pembrokeshire is being completed. Any opportunity to use the initiative to provide affordable housing in this National Park would be welcomed.

## **Ageing Population**

Another key point to bear in mind is the needs and requirements of an ageing population, which may range *"from simple adaptations to Extra Care housing, which provides more support than traditional sheltered housing while at the same time offering greater independence."*

**Proposed Response:** This issue would be addressed when addressing housing needs in an area. Extra care housing tends to be substantial in scale to achieve economies of scale and therefore tend to be located in the larger centres outside the National Park.

**RECOMMENDATION: Members are asked to approve the above proposed response to the Housing White Paper: Homes for Wales: A White Paper for Better Lives and Communities.**

## Background Documents

*Pembrokeshire Coast National Park Local Development Plan Adopted September 2010*

<http://www.pembrokeshirecoast.org.uk/default.asp?PID=178>

*Affordable Housing Supplementary Planning Guidance*

<http://www.pembrokeshirecoast.org.uk/Files/Files/dev%20plans/AffordableHousingSupgAdoptedWorkingDraft.pdf>

*Homes for Wales: A White Paper for Better Lives and Communities*

<http://wales.gov.uk/docs/desh/consultation/120521whitepaperen.pdf>

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