

Solving Wales's Housing Problems – Shaping and Delivering Planning Responses

**A Local Authority perspective, including reflections on
the 5 year land supply**

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What's the problem?

- **It's not the Planners' fault!**
- **The Facts – it's a numbers game**
- **Policy context and responses**
- **Developers - Role and relationships**
- **Are we losing sight of core principles of SD?**
- **Solutions – build more houses!**

It's not the Planners' fault!

- **Planning system not perfect, but....**
 - **It functions in increasingly difficult circumstances**
 - **Its more complicated than ever**
 - **It is all things to all people**
 - **DM has a hand tied behind its back – repay fees; planning by appeal; fees not enough to cover the role; speed OR quality?**
- **Development Plans don't “deliver” new homes**
 - **They make provision for/create the conditions for new housing to be built**
 - **Other factors out of LPA control – economic conditions, demand, market forces, developer requirements/thresholds**

It's not the Planners' fault!

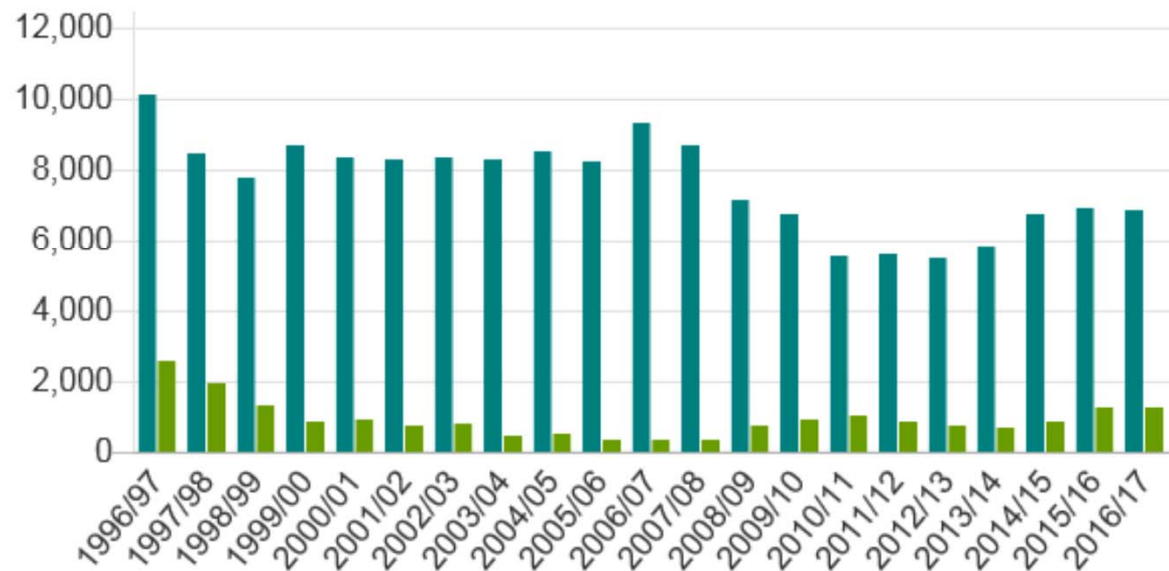
- **Community involvement – help or hindrance?**
 - Is there too much consultation and engagement?
 - Localism or Nimbyism
 - Who do Planning Committee listen to – Planners or locals?
 - What's democracy got to do with Planning?
- **Quality of applications/LDP submissions**
 - Some developers/agents still don't understand SD/Well-Being/Cohesion – FCC Developer Advice Note; pre-apps
 - Getting it right rather than speed of outcome
 - LDP Examinations – onus all on LPA – viability; deliverability; trajectory – Developers/HBF ability/capacity to build not tested
 - LDP strategies stifled by focus on housing delivery

The Facts – it's a numbers game

New housing completed in Wales

Houses and flats

■ New homes completed ■ New social housing



Stats Wales/Welsh Government/NHBC

BBC

**WHO WANTS
WHAT?**

**HBF say 12,000
needed**

**FMB say 14,000
are required**

**WG want 20,000
new affordable
homes by 2021**

**However, very
consistent trend**

The Facts – it's a numbers game

- **Is the problem a lack of supply?**
- **Recent LGA research is very interesting:**
 - **Over 423,000 undeveloped Units with PP in E&W 2016/17**
 - **10,764 in Wales – up 20% on previous year**
 - **Approvals up in Wales – 6,761 units in 15/16; 9,839 16/17**
 - **Completions down – 8,660 units in 15/16; 7,215 16/17**
 - **Average build times increasing**
 - **Planning system not a barrier to building**
- **Developer Strategic Land Banks with options?**
- **Public sector land banks?**

The Facts – it's a numbers game

- **Housing need vs demand**
- **Under-delivery by development plans**
- **Land banking**
- **Developer fixed criteria – 20% profit; £200/ft² values**
- **Delivery/viability – changes the day after LDP adoption**
- **Challenging targets = WG 20,000 affordable homes by 2021**
- **Affordability – 6:1 house price to income ratio**

Policy context and responses

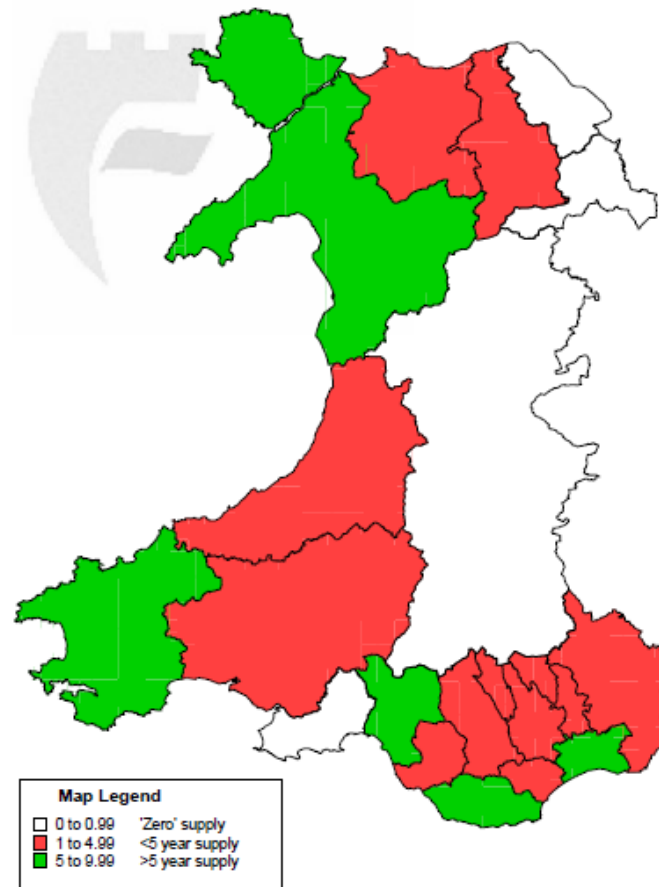
- **A Plan-led system or “why bother”?**
- **Speculative development undermines this**
- **Time taken to produce LDPs – learning? best practice? WG ‘encouragement’?**
- **Does an adopted LDP guarantee a 5 year supply? No**
- **Developers don’t plan like LDPs do – boards, shareholders, viability criteria, profit-driven**
- **Welsh planning system gives developers freedom and control, but no control over what they then do**

Policy context and responses

- **5 year supply and TAN1**
- **Fitness for purpose?:**
 - **21 LPAs have LDP – only 6 have a 5 yr supply**
 - **‘Dog house 4’ no LDP – deemed ‘zero’ supply?!**
 - **Only one measure (residual) – why? Becomes a mathematical exercise only**
 - **Aren’t completions a way to monitor industry performance?**

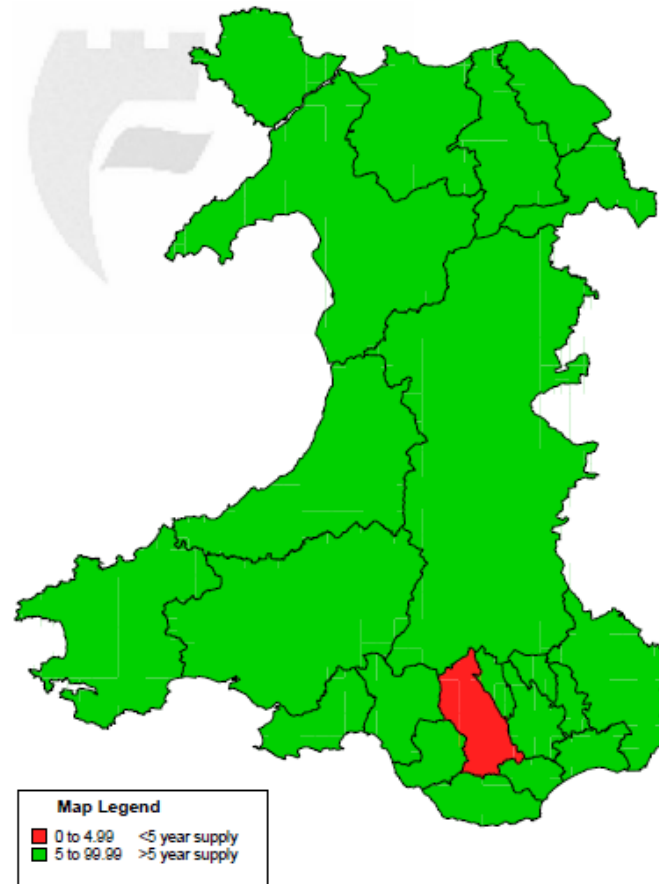
Policy context and responses

- 2017 5yr land supply by Welsh LA area (residual method)



Policy context and responses

- 2017 5yr land supply by Welsh LA area (completions method)



Policy context and responses

- **5 year supply and TAN1**
- **Fitness for purpose?:**
 - **Contradictory - No LDP, can't formally monitor supply, BUT continue to monitor 'informally' for LDP prep purposes? Weight to attach?**
 - **Developers/agents don't read para 6.2 properly – "...otherwise comply with national and local policies"**
 - **"All that matters is you haven't got a 5 year supply" – No!**
 - **Planning by Appeal**
 - **Deflects resources from DM and LDP preparation**
 - **PINs blinkered and apply lesser standards of sustainable development and Well-Being**
- **Planning system tensions – Need for more housing pulls against LDP process, quality/design, place-making, speed and quality in DM**

Developers – Role and relationships

- **Not directly interested/engaged in LDP process**
- **Invest disproportionately in speculative development**
- **Set approach to developing – ‘cherry picking’**
- **Adversarial approach – why?**
 - **Nimbyism influences Members and decisions**
 - **Poorly evidenced applications – FCC Developer Advice Note**
 - **Variable capability of agents**
 - **Poor attitude (some)**
- **If not land banking, and plenty of supply, then issue is CAPACITY TO BUILD**
- **Land Trading – muddying the waters?**

Are we losing sight of core principles of SD?

- **E.g. Community impacts from speculative development, particularly Community and Social Cohesion**
- **Appeals dealing with speculative applications apply lesser standards of SD than via LDP process**
- **Housing at ALL costs**
- **WBFG – does it have any weight?**
- **TAN1 “zero supply” – how is that SD compliant?**
- **Localism not well defined in Wales – Neighbourhood planning variable – anti-development plans?**

Solutions

- **Build More Houses – who, how?:**
 - **Local Authorities to build again**
 - **Joint ventures e.g. FCC SHARP scheme**
 - **Using public land in partnerships**
 - **Build houses more quickly – timber frame/modular build techniques; innovative homes models**
 - **Innovative funding – VVP; loan guarantor; WG**

Solutions

- **Other measures:**
 - **Mix of allocations in LDPs – are strategic sites the answer? More flexibility? Cater for small developer or self build?**
 - **Enhanced LPA powers to act – deallocate; rescind unused PPs; enhanced CPO; Charge Council Tax on unbuilt development; real commencement**
 - **Welsh Government Vacant Land Tax**
 - **‘Fair valuation’ process for land**
 - **Better, more open joint WG/LPA/developer dialogue**

Thank you for listening.