

National Assembly for Wales

Communities, Equality and Local Government Committee

CELG(4) HB 27

Inquiry into barriers to home building in Wales

Response from : Asbri Planning Limited

We welcome your invitation to submit evidence into the Inquiry regarding the Barriers to Home Building in Wales. In doing so we echo the comments of several of our major house building clients – including Persimmon Homes, with whom we have liaised in preparing this response.

1. Introduction

- 1.1 Asbri Planning Limited, with offices both in Cardiff and Swansea, is one of the principal Welsh – based planning consultancies. Since its formation over the last 6 years Asbri has developed a wide ranging client base, where we have represented small, medium and large construction companies at all stages in the planning process. This has included the promotion of land through the local development plan process, the co-ordination and submission of planning applications, including those requiring Environmental Impact Assessment, and appeal procedures.
- 1.2 Through this work, which also involves negotiations on Section 106 contributions and viability appraisals, we are very aware that house building has been under significant strain for the past 4-5 years and that, notwithstanding signs of an improving market in some areas, measures are needed in order that a viable house building industry in Wales is maintained.

2. Development Costs

- 2.1 I am aware that concern is being expressed by house builders regarding rising construction costs together with those which are planning related. The additional burden of planning obligations, together with the Code for Sustainable Homes and changes to the Building Regulations have now added circa £10-£12,000 to the average cost of building a new home in Wales.
- 2.2 Local authorities, affected by spending cuts, are placing more emphasis on planning obligations on an increasingly wider range of contributions and as a result negotiation procedures and the need to submit viability appraisals impose further delays in the planning process and add to the degree of uncertainty of planning applications being approved.
- 2.3 In the last 5 years requirements for subsidised affordable housing, in the absence of social housing grants, in addition to the average price of a new home falling by circa 25% over the same period i.e. (2008-2012) has resulted in many new housing projects to be delayed or become unviable, particularly in those areas where housing-led regeneration is most needed.
- 2.4 The costs and delays associated with a Planning Application are also a major concern, as are uncertainties over the outcome, often due to political whims which can be unpredictable. One of the most extreme examples is the South Sebastopol scheme in Torfaen, where Asbri Planning submitted a 'refreshed' application for 1,200 homes in 2011. Despite development plan policies favouring the development, protracted discussions, negotiations and changes to proposals, the application was

refused by the Council, contrary to an officer recommendation to approve. This further resulted in a public inquiry, where an outcome is still awaited.

- 2.5 A typical Planning Application together with supporting reports and planning documents will cost in the region of £100,000 for a medium sized project of 50 dwellings, more if Environmental Impact Assessment is required.
- 2.6 The time taken to process such an application through to the final determination can be 9-12 months, during which time the applicant is likely to be requested to submit further reports and amended plans in order to deal with the consultee responses received by the Planning Authority. Even more costs and delays are experienced, if an appeal is necessary, sometimes against non-determination.
- 2.7 The majority of Planning Applications are delayed due to, either the time taken for the statutory consultees to respond to the Planning Authority, or, from the lack of agreement on submitted layouts between individual officers. Planning case officers often use such internal disputes as an excuse for inaction. There is no recourse in such situations for demanding progress as Chief Officers who should be mediating and exerting their authority in these circumstances often appear to be unconcerned when eventually we manage to contact them.
- 2.8 Factors such as staff morale and insufficient numbers remain an issue in local authorities and many planning case officers appear to lack any motivation, including those at senior levels. This is a deep seated problem, but nevertheless officers are generally well paid with secure jobs unlike their private sector counterparts where salaries and career prospects are very much linked to delivery and performance levels.
- 2.9 Despite increasing resources now devoted to early public consultation, local objectors to housing proposals will exaggerate the landscape and ecological value of a site, where in many cases the main reasons for their objections are not planning related. Such views are nevertheless often given weight by officers and members. This imbalance in favour of perceived environmental issues even when comprehensive reports have been prepared results in major delays and may reduce developable areas to provide unnecessary 'mitigation'.
- 2.10 Inconsistencies in decision making across local authority areas is attributable in no small part to considerable differences in up to date development plan coverage. Significant and unacceptable delays in Local Development Plan (LDP) preparation have occurred in a number of areas, including those where development pressures are greatest, such as Cardiff and the Vale of Glamorgan.
- 2.11 Conversely some LDPs which have progressed to early adoption are now failing to deliver sufficient housing, which puts their soundness in doubt. These plans (including Caerphilly and RCT) are heavily reliant on large, unviable 'brownfield' sites coming forward, and have exaggerated the capacity of many sites to accommodate development by specifying unrealistically high densities. Development interests and site promoters at Examination hearings held in 2010 strongly made the case for further housing allocations to provide more flexibility but were ignored by Inspectors. These authorities are now resisting requirements for an early review of the respective plans.
- 2.12 While the 'presumption in favour of sustainable development' has been introduced in the 5th Edition of Planning Policy Wales, local planning authorities will not be deterred unless failure to deliver sound, realistic and up to date plans result in more appeal decisions going against them. The appeal process itself also needs to be examined with increasing numbers of appeal submissions experiencing delays as a result of EIA screening procedures, adding further to costs. An appeal against a refusal of a planning

application for 13 dwellings was submitted on 26th May by Asbri and we are still awaiting confirmation that it does not require EIA.

Identify – “Quick Wins”

- 3.1 There needs to be a clear message fed down from the Welsh Government to the local planning authorities together with the statutory consultees that the planning system needs to be more flexible and that there must be a willingness to take decisions promptly on a balanced judgement, rather than seeking supplemental reports to justify a potential concern.
- 3.2 The Welsh Government needs to relax their “Green” agenda and allow the house building industry to recover back to normal trading conditions before introducing any further regulation changes and increased build costs (i.e. fire sprinklers).
- 3.3 The Welsh Government should use its powers to intervene more often where Local Development Plans are experiencing unreasonable delays and where local authorities fail to recognise that Plans are not delivering sufficient levels of new housing.
- 3.4 Local Planning Authorities must be informed that they need to take a far more pragmatic approach to the Affordable Housing requirements via Section 106 and not frustrate and delay planning applications due to onerous requests for high levels of Affordable Housing.
- 3.5 Statutory Consultees must respond within the statutory time periods for planning applications – failure to respond within the statutory period would be deemed as “a non objection” and the Planning Authority could determine the application accordingly.
- 3.6 Planning Authorities to be instructed to take a more pragmatic approach to ‘Sustainable Development’ and consider equal weightings between social, economic and environmental issues.
- 3.7 The need for the Appeal process to be streamlined with more prompt responses for EIA screening.

We trust that you will note the above comments and I trust that it will inform your inquiry in producing a strategy for introducing some badly needed positive intervention at the earliest opportunity.

Keith Warren
Associate Director