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Consultation Document

Draft Technical Advice Note (TAN) 1: Joint Housing Land Availability Studies

Date of issue: **18 July 2014**

Action required: Responses by **10 October 2014**

Overview

This consultation seeks your views on the Welsh Government's proposed revision of Technical Advice Note 1, *Joint Housing Land Availability Studies* (TAN 1). The TAN supports policy on housing land supply set out in Chapter 9 of *Planning Policy Wales*.

The aim of the review of the TAN is to align the housing land supply and Local Development Plan monitoring processes. This review also forms part of the wider proposals to improve local delivery of the planning system, which are set out in the *Positive Planning* consultation paper.

How to respond

The closing date for responses is **10 October 2014**. You can respond in any of the following ways:

Email:

Please complete the consultation response form at Annex 2 and send it to:
planconsultations-f@wales.gsi.gov.uk

(Please include 'Draft TAN 1 WG22580' in the subject line.)

Post:

Please complete the consultation response form at Annex 2 and send it to:

TAN 1 Consultation
Planning Policy Branch
Planning Division
Welsh Government
Cathays Park
Cardiff CF10 3NQ

Further information and related documents

Large print, Braille and alternative language versions of this document are available on request.

Further related information can be found here:

Planning Policy Wales, Chapter 9
www.wales.gov.uk/topics/planning/policy/ppw/?lang=en

Positive Planning – Proposals to reform the planning system in Wales
www.wales.gov.uk/consultations/planning/draft-planning-wales-bill/?status=closed&lang=en

Contact details

For further information:

e-mail: planconsultations-f@wales.gsi.gov.uk

telephone: Paul Robinson on 029 2082 3290

Data protection

How the views and information you give us will be used

Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about. It may also be seen by other Welsh Government staff to help them plan future consultations.

The Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. This helps to show that the consultation was carried out properly. If you do not want your name or address published, please tell us this in writing when you send your response. We will then blank them out.

Names or addresses we blank out might still get published later, though we do not think this would happen very often. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 allow the public to ask to see information held by many public bodies, including the Welsh Government. This includes information which has not been published. However, the law also allows us to withhold information in some circumstances. If anyone asks to see information we have

withheld, we will have to decide whether to release it or not. If someone has asked for their name and address not to be published, that is an important fact we would take into account. However, there might sometimes be important reasons why we would have to reveal someone's name and address, even though they have asked for them not to be published. We would get in touch with the person and ask their views before we finally decided to reveal the information.

What is this consultation about?

1. New home building is essential in Wales, not only to meet the growing need for housing, but also as an important driver of economic development and job creation. The Welsh Government sees planning becoming an enabler of appropriate development that supports national, local and community objectives, including the delivery of new homes. The Welsh Government's *Positive Planning* consultation paper outlines proposals to achieve this.
2. Having up-to-date Local Development Plans (LDPs) in place is critical for ensuring that the homes needed are delivered. The planning system, through the LDP process, must provide the land that is needed to allow for new home building. Appropriate monitoring of housing land supply is a very important element of ensuring that this is achieved.
3. Joint Housing Land Availability Studies (JHLAS) are the principal mechanism for monitoring the supply of housing land through the planning system. JHLAS demonstrate whether local planning authorities have a deliverable five-year supply of land for housing as required by Welsh Government policy (*Planning Policy Wales*, paragraph 9.2.3). Failure to have a five-year housing land supply is an important material consideration which is taken into account by Planning Inspectors when determining planning appeals for residential schemes.
4. Guidance on how to undertake JHLAS is set out in Technical Advice Note 1 (TAN 1). TANs supplement the land use planning policies of the Welsh Government in *Planning Policy Wales*, providing additional advice and guidance on specific subjects. Together *Planning Policy Wales* and the TANs provide the framework for the preparation of LDPs and the decision-making responsibilities of local planning authorities.
5. The current review of TAN 1 has the overriding aim of aligning the JHLAS and LDP monitoring processes and contributing to incentivising the preparation and adoption of LDPs. This consultation contains proposals to achieve this, set out in the draft TAN at Annex 1.

Where are we now?

6. A Technical Advisory Group (TAG) consisting of representatives from local planning authorities, house builders and the Planning Inspectorate was established to inform the Welsh Government on the review of TAN 1. The TAG considered a number of issues related to achieving the aims of the review and their views have informed the draft TAN which is the subject of this consultation.
7. It is proposed that the revised TAN will be finalised in order for it to be operational for the 2015 JHLAS process.

Why are we proposing change?

8. The JHLAS process was last reviewed in 2011 and resulted in improvements in the consistency of data and in the timeliness of the studies; both these elements have improved their usefulness to developers, local planning authorities and Planning Inspectors. Since the 2011 review a number of factors have had a significant bearing on housing land supply:
 - The difficult economic conditions have continued, having a detrimental effect on the viability of housing developments;
 - The *Positive Planning* consultation has been published, including proposals to reinforce LDPs as the cornerstone of the planning system; and
 - There has been progress with the adoption of LDPs, with more than half of local planning authorities (14) now having an adopted plan.
9. These factors, in particular the progress with LDP adoption, provide a firm basis for this review of the way in which housing land supply is monitored.

What are the main changes we are proposing?

10. The main changes to TAN 1 that are proposed are set out below, with an indication of the relevant sections of the revised TAN.
 - **Purpose / Context** (sections 2 and 3) – Highlights the need for housing land supply to be based on adopted LDPs and the importance the Welsh Government places on achieving full LDP coverage across Wales. Also outlines the links between the JHLAS and LDP processes.
 - **Study preparation** (section 4.1) – As part of aligning the JHLAS and LDP monitoring processes, it is proposed that the period for completing the studies is reduced from 12 months to 6 months. This is to ensure that the most up-to-date housing land supply figure can be included in LDP Annual Monitoring Reports (AMRs), which must be submitted to the Welsh Government by 31st October each year following LDP adoption. (AMRs are the mechanism by which local planning authorities assess whether their LDPs are meeting their objectives.)
 - **Sites for inclusion in the housing land supply** (section 4.3) – Sites to be included in the five-year housing land supply must have outline or full planning permission or be identified for residential purposes in an adopted LDP. It is proposed that sites that have a resolution to grant planning permission subject to the signing of a section 106 agreement can be included where there is clear evidence that the site will be developed within five years. However, where a section 106 agreement remains unsigned for more than a year the site should be removed from the five year supply.
 - **Site Categorisation** (section 4.4) – It is proposed that greater delineation is introduced into the site categorisation to provide more precise information about why a site has not been included in the five-

year housing land supply. This is intended to assist in the understanding of a local planning authority's housing land supply.

- **Calculating housing land supply** (section 5) – Land supply needs to be soundly based on meeting identified housing requirements. Therefore it is proposed that only local planning authorities with an adopted LDP (or an adopted Unitary Development Plan that is still within the plan period) will be able to undertake a JHLAS calculation and thus be able to demonstrate that they have a five-year housing land supply. In line with this, it is also proposed that the residual methodology based on an adopted LDP (or UDP) will be the only methodology allowed for calculating housing land supply.
- **Housing Supply Figure** (section 6) – Where a local planning authority has an undersupply of housing land (i.e. less than five years) it is proposed that the action to be taken would no longer be set out in the JHLAS report, but would be addressed in the AMR in order to link it directly with LDP monitoring. Consistent with the integration of the JHLAS and LDP processes, this proposal places the focus on the AMR as the mechanism for responding to a local planning authority's housing land supply position.
- **JHLAS process** (section 7.3) – Study Group meetings are seen as the best way for disputed matters to be resolved, but have not been consistently held under the current arrangements. Therefore it is proposed that where sites are disputed by members of a JHLAS Study Group, a Study Group meeting must be held to try and resolve these matters.
- **Transitional arrangements** (section 8) – It is recognised that local planning authorities with an adopted UDP (that is within its plan period at the base date of the JHLAS) do have a sound basis for calculating housing land supply. Transitional arrangements are proposed for those authorities with an adopted UDP and which are preparing their LDP.

Consultation questions

11. Questions relating to this consultation are set out below. If you wish to respond please complete the Consultation Response Form at Annex 2.
12. Responses to consultations may be made public on the internet or in a separate report. If you would prefer your response to be kept confidential please indicate this by ticking the relevant box on the response form.

Q1	<p><u>Purpose / Context (sections 2 and 3)</u></p> <p>Do you agree that the Joint Housing Land Availability Study (JHLAS) and Local Development Plan Annual Monitoring Report (AMR) processes should be more closely aligned?</p>
Q2	<p><u>Study preparation (section 4.1)</u></p> <p>To enable the most up-to-date JHLAS to feed into the AMR it is proposed to shorten the timetable for its preparation to six months.</p> <p>Do you agree that it is feasible to prepare a JHLAS in this revised timeframe?</p>
Q3	<p><u>Sites for inclusion (section 4.3)</u></p> <p>Do you agree that sites subject to section 106 agreements should be included in the 5 year housing land supply (subject to their removal if the agreement remains unsigned after 1 year)?</p>
Q4	<p><u>Site categorisation (section 4.4)</u></p> <p>Greater delineation has been introduced into the site categorisation to give more precise information about why a site has not been included in the 5 year housing land supply. The former 2* category (sites affected by low market demand) has been removed as a result.</p> <p>Do you agree that these changes will assist in the understanding of a local planning authority's housing land supply?</p>
Q5	<p><u>Calculating housing land supply (section 5)</u></p> <p>It is proposed that only local planning authorities with an adopted LDP (or an adopted Unitary Development Plan that is still within the plan period) will be able to undertake a JHLAS calculation (using the residual methodology) and thus be able to demonstrate that they have a 5 year housing land supply.</p> <p>Do you agree with this approach, which is aimed both at ensuring that an authority's land supply is based on identified housing requirements and at incentivising the preparation and adoption of LDPs?</p>
Q6	<p><u>Calculating housing land supply (section 5)</u></p> <p>It is proposed that the residual methodology based on an adopted LDP or UDP will be the only methodology allowed for calculating housing land supply. Do you agree with this approach?</p>

Housing supply figure (section 6)

Q7

Where an LPA has an undersupply of housing land (i.e. less than 5 years) it is proposed that the action to be taken would no longer be set out in the JHLAS report, but would be addressed in the AMR in order to link it directly with LDP monitoring.

Do you agree with this approach?

JHLAS process (section 7.3)

Q8

Do you agree that where the inclusion of sites is disputed by members of the Study Group, a Study Group meeting must be held?

Any other comments

Q9

We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them.