

Royal Town Planning Institute Cymru (RTPI Cymru) PO Box 2465 Cardiff CF23 0DS Tel +44 (0)29 2047 3923 email walespolicy@rtpi.org.uk Website: www.rtpi.org.uk/rtpi\_cymru

14 September 2018

e-mail response sent to: AffordableHousingReview@gov.wales

Dear Sir/Madam,

#### Response to: Independent Affordable Housing Supply Review – Call for Evidence

The Royal Town Planning Institute (RTPI) is the largest professional institute for planners in Europe, representing some 25,000 spatial planners. RTPI Cymru represents the RTPI in Wales, with 1,100 members. The Institute seeks to advance the science and art of spatial planning for the benefit of the public. As well as promoting spatial planning, the RTPI develops and shapes policy affecting the built environment, works to raise professional standards and supports members through continuous education, training and development.

The response has been formed drawing on the expertise of the RTPI Cymru Policy and Research Forum, which includes a cross section of planning practitioners from the private and public sectors and academia from across Wales.

Thank you for the opportunity to contribute our views to the above consultation.

Local authorities are leaders of housing development, taking a key role in strategic land development in regeneration projects, urban expansion schemes, key infrastructure provision etc and the Local Planning Authority plays an important part in this, alongside and in partnership with other Local Authority departments, making key decisions in relation to affordable housing.

RTPI Cymru's response to some of the consultation questions are set out below.

If you require further assistance, please contact RTPI Cymru at walespolicy@rtpi.org.uk

Yours sincerely,

Rhian Brimble MRTPI RTPI Cymru Policy Officer RTPI Cymru

### Question 2a – How could the grant regime best achieve value for money and efficiency and deliver more affordable housing from current resources?

In terms of delivery, a clear and accepted definition of deliverable needs to be considered as part of this review. An annual update of 'deliverable' sites would be useful. To supplement this there is a need for an ongoing commentary involving all stakeholders to reflect the challenges and identifying ways of addressing under-delivery. This requires engagement with developers, land owners, neighbouring authorities and infrastructure providers to identify sites and assess the pace of delivery.

## Question 2d - What alternative structures of finance, including private sector finance, could be used to better support the development of more affordable housing in Wales?

A key issue in developing more affordable housing relates to the way in which the price to be paid for development land is calculated. The new towns programme was able to fund the expansion of affordable housing provision through the ability of new town development corporations to buy land at existing use value (mainly agricultural value), rather than paying market value reflecting the uplift from expectations to secure consent for developing land. Reintroducing existing use value acquisition mechanisms could enable affordable housing funding to go much further?

We refer to the RTPI response to the HCLG Committee inquiry into land value capture and our RTPI Cymru Value of Planning research.

(https://i.emlfiles4.com/cmpdoc/9/8/0/4/7/files/516818\_rtpi-response-clg-land-value-captureinquiry-2018.pdf and https://www.rtpi.org.uk/knowledge/research/projects/value-ofplanning/the-value-of-planning-in-wales/)

# Question 5a - What in your view needs to be changed or improved, in relation to regulation / finance / planning / policy, to enable local authorities to deliver new homes at pace and scale?

Historically local authorities and new town development corporations made use of Compulsory Purchase Order powers to bring forward land to develop new housing. Those powers remain and we understand that Government could change the extent to which these are used without needing new legislation. We refer to our recent response to the National Assembly for Wales on Compulsory Purchase - <u>https://www.rtpi.org.uk/the-rtpi-near-you/rtpicymru/policy-in-wales/</u>

Council tax as a mechanism for funding affordable housing needs to be reviewed, exploring the opportunities for generating revenue for affordable housing purposes – see the RTPI response to the HCLG Committee above.

In the densely developed parts of Wales, particularly the south east, where housing markets cross Local Authority boundaries, there is a need for a regional approach to housing land, and more needs to be done to expedite preparation of the proposed Strategic Development Plan for this region. Its lack of progress is delaying preparation of the Local Development Plan reviews which would identify new housing sites.

We refer to RTPI Cymru's ongoing research into the effectiveness of rural exception site policy in Wales. <u>https://www.rtpi.org.uk/the-rtpi-near-you/rtpi-cymru/policy-in-wales/wales-planning-research-agenda/</u>

#### Section 7

This section focuses on bringing forward Welsh Government owned land. We note that the UK government also owns a lot of land in Wales, particularly the Ministry of Defence. Some of this could also be released for housing development, if identified as surplus and put forward for development though the Local Development Plan review processes.

### Question 8a - What organisational efficiency, skills and financial capacity constraints exist within RSLs and local authorities?

RTPI Cymru has strong concerns about the reductions in capacity of Local Authority Planning departments, and the effects for example in struggling to ensure a five year housing land supply.

There is the issue around the availability of the right skills for housing delivery. The skill set around understanding viability by Local Planning Authorities also needs to be addressed.

## Question 9a) - How do we maximise the use of existing legal powers (of Local Authority, RSLs, Welsh Government / Welsh Ministers etc) to deliver affordable housing?

We refer to our comments above in relation to Compulsory Purchase Order powers.

# Question 10d) - Social landlords are on track to achieve WHQS by 2020. What requirements should be in place to ensure the quality of the existing stock is maintained post 2020?

Getting to the WHQS by 2020 will be a remarkable achievement.

There now an opportunity to raise our sights beyond the standards of individual dwellings to address rather more comprehensively the standards of the external environment and services on social housing estates, including in particular retrofitting for sustainability. There are links to be made with the Well-being of Future Generations Act in this respect.