

Appendix to Planning Committee report on Planning for the right homes in the right places – Consultation

<https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

Recommended response by the Council to the Consultation

Proposed approach to calculating the local housing need

Question 1(a)

do you agree with the proposed standard approach to assessing local housing need? If not, what alternative approach or other factors should be considered?

☒ Yes

☐ No

☐ Not sure/ don't know

Please enter your comments here

The current position is unsatisfactory. Local Planning Authorities have been required to commission expensive and complex assessments to identify the “objectively assessed need” for market and affordable housing within their housing market areas. Whilst national planning practice guidance sets out a recommended method for doing so, it is accepted that the current process leave substantial room for interpretation, and disputes between local planning authorities, developers and communities on the method used both delay the process and adds cost. The Local Plan Expert Group argued that the existing approach to assessing housing need is too complex. The three key principles which the government considers a standard method should be based – that is simple, based on publicly available data and realistic (reflecting the actual need for homes in each area, taking into account the affordability of homes locally) are commended. The Council agrees that the affordability of new homes is a very good indicator that supply is not keeping up with demand. The standardised methodology however does not make adjustments to take account of the factors behind the worsening affordability and may therefore be over simplified.

Councils will however still need to define a Housing Market Area

The suggested standardised methodology looks forward and relies, for its demographic baseline upon projections of household growth, which are volatile/ unstable and therefore calculations of standardised housing need for an area have the propensity to change significantly every two years (the frequency with which household projections are published). Some method of smoothing or dampening such fluctuations should be considered. Similarly failure to look back risks ignoring trends, which could predict some of these potential fluctuations

The use of a measure of affordability (local affordability ratios) as an adjustment to take account of market signals is logical but the proposed use of workplace earnings information rather than residential earnings information does not appear appropriate and could in an area where there was significant commuting (either in or out) lead to a poor measure of affordability in that area.

Question (1b)

How can information on local housing need be made more transparent?

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 2

Do you agree with the proposal that an assessment of local housing need should be able to be relied upon for a period of two years from the date a plan is submitted?

☒ Yes

☐ No

☐ Not sure/ don't know

Please enter your comments here

It is important that the local housing needs assessment is not rendered out of date if changes to the household projections or affordability are published whilst the plan is being examined, as that can lead to continual delay in the finalisation of plans.

Question 3

Do you agree that we should amend national planning policy so that a sound plan should identify local housing needs using a clear and justified method?

☐ Yes

☒ No

☐ Not sure/ don't know

Please enter your comments here

It is considered that provision is already made for this in the NPPF and the scrutiny provided by the

Planning Inspector during the examination.

Question 4

Do you agree with our approach in circumstances when plan makers deviate from the proposed method, including the level of scrutiny we expect from the Planning Inspectors?

☐ Yes

☐ No

☒ Not sure/ don't know

Please enter your comments here

The Council notes that paragraph 44 indicates a government expectation, given the significant financial and time saving benefits, that LPAs will adopt the proposed standardised method when assessing housing need, but also that there may be compelling reasons not to adopt the proposed approach which will need to be properly justified and will be subject to examination.

The Council notes in particular and welcomes the statement in paragraph 46 of the consultation that plan makers may put forward proposals that lead to a local housing need above that given by the government's proposed approach, and that this could be as a result of a strategic infrastructure project, or through increased employment (and hence housing) ambition as a result of a Local Economic Partnership investment strategy, a bespoke housing deal with Government or through delivering the modern Industrial Strategy. It also notes that the Government states that they want to make sure that they give proper support to those ambitious authorities who want to deliver more homes, and the proposal to amend planning guidance so that when a plan is based upon on assessment of local housing need in excess of that which the standard method would provide, Planning Inspectors are advised to work on the assumption that the approach adopted is sound unless there are compelling reasons to indicate otherwise. The Council supports the introduction of such guidance.

Question 5(a)

Do you agree that the Secretary of State should have discretion to defer the period for using the baseline for some local planning authorities? If so, how best could this be achieved, what minimum requirements should be in place before the Secretary of State may exercise this discretion, and for how long should such deferral be permitted?

☐ Yes

☐ No

☒ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 5(b)

Do you consider that authorities that have an adopted joint local plan, or which are covered by an adopted spatial development strategy, should be able to assess their five year land supply and /or be measured for the purposes of the Housing Delivery Test, across the area as a whole?

☐ Yes

☐ No

☒ Not sure/ don't know

Please enter your comments here

Such a change appears to the Council to be logical and to reflect that housing market areas can include a number of administrative areas. However it would be wrong if a local authority was penalised due to its inability to control delivery of housing in another authority within its HMA.

Question 5(c)

Do you consider that authorities that are not able to use the new method of calculating local housing need should be able to use an existing or an emerging local plan figure for housing need for the purposes of calculating five year housing land supply and to be measured for the purposes of the housing delivery test ?

☐ Yes

☐ No

☒ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 6

Do you agree with the proposed transitional arrangements for introducing the standard approach for calculating local housing need?

☒ Yes

Published 31 October, 2017

☐ No

☐ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Statement of Common Ground

Question 7(a)

Do you agree with the proposed administrative arrangements for preparing the statement of common grounds?

☒ Yes

☐ No

☐ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 7 (b)

How do you consider a statement of common ground should be implemented in areas where there is a Mayor with strategic plan-making powers?

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 7 (c)

Do you consider there is a role for directly elected Mayors without strategic plan-making powers, in the production of a statement of common ground?

☐ Yes

☐ No

Published 31 October, 2017

☒ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 8

Do you agree that the proposed content and timescales for publication of the statement of common ground are appropriate and will support more effective co-operation on strategic cross-boundary planning matters?

☒ Yes

☐ No

☐ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 9(a)

Do you agree with the proposal to amend the tests of soundness to include that:

- i) Plans should be prepared based on a strategy informed by agreements over the wider area; and**
- ii) Plans should be based on effective joint working on cross-boundary strategic priorities, which are evidenced in the statement of common ground?**

☒ Yes

☐ No

☐ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 9 (b)

Do you agree to the proposed transitional arrangements for amending the tests of soundness to ensure effective co-operation?

☒ Yes

☐ No

☐ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Planning for a mix of housing needs

Question 10 (a)

Do you have any suggestions on how to streamline the process for identifying the housing needs of individual groups and what evidence could be used to help plan to meet the needs of particular groups?

Please enter your comments

The Council does not wish to make any comments in response to this question

Question 10 (b)

Do you agree that the current definition of older people within the National Planning Policy Framework is still fit-for-purpose?

☐ Yes

☐ No

☒ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Neighbourhood Planning

Question 11 (a)

Should a local plan set out the housing need for designated neighbourhood planning areas and parished areas within the area?

Published 31 October, 2017

☐ Yes

☒ No

☐ Not sure/ don't know

Please enter your comments here

Local authorities should not be obligated to do this. Could create complications/uncertainties for areas that are designated once the strategic plan has been adopted. This could also hinder the flexibility of local plans and the ability to respond to rapid economic change.

Question 11(b)

Do you agree with the proposal for a formula-based approach to apportion housing need to neighbourhood plan bodies in circumstances where the local plan cannot be relied upon as a basis for calculating housing need?

☒ Yes

☐ No

☐ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Proposed approach to Viability Assessment

Question 13

Do you agree that local plans should identify the infrastructure and affordable housing needed, how these will be funded and the contributions developers will be expected to make?

☒ Yes

☐ No

☐ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 13

In reviewing guidance on testing plans and policies for viability, what amendments could be made to improve current practice?

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 14

Do you agree that where policy requirements have been tested for their viability, the issue of should not normally need to be tested again at the planning application stage?

☐ Yes

☐ No

☒ Not sure/ don't know

Please enter your comments here

Whilst the presumption (that the issue should not normally need to be tested again at the planning application stage) is agreed and supported, the proposition does not reflect that viability assessments of individual sites will be undertaken at a much more detailed level than could ever be achieved, practically, at the Local Plan stage, and that with the passage of time key assumptions such as interest rates, values and costs are likely to change

Question 15

How can Government ensure that infrastructure providers, including housing associations, are engaged throughout the process, including in circumstances where a viability assessment may be required?

Please enter your comments here

Ultimately the decision on whether a scheme is financially viable with contributions is one for the Local Planning Authority to take. Involving other parties in that decision is likely to significantly slow down decisions.

Question 16

What factors should we take into account in updating guidance to encourage viability assessments to be simpler, quicker and more transparent, for example through a standardised report or summary format?

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 17(a)

Do you agree that local planning authorities should set out in plans how they will monitor and report on planning agreements to help ensure that communities can easily understand what infrastructure and affordable housing has been secured and delivered through developer contributions?

☒ Yes

☐ No

☐ Not sure/ don't know

Please enter your comments here

The Borough Council supports this – its current practice – of bringing half yearly reports to its Planning Committee on obligations entered into, payments received, expenditure undertaken, and cases where triggers for contributions have passed but there has not been compliance - reflects the proposal. However it does need to be understood that there are resource implications in the undertaking of such monitoring and recent appeal decisions have led authorities to conclude that obligations providing financial contributions towards monitoring of obligations are unlawful in that they do not comply with Regulation 122 of the CIL Regulations. The provision of policy support for such obligations would assist.

Question 17 (b)

What factors should we take into account in preparing guidance on a standard approach to monitoring and reporting planning obligations?

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 17 (c)

How can local planning authorities and applicants work together to better publicise infrastructure and affordable housing secured through new development once development has commenced, or at other stages of the process?

Please enter your comments here

It is hoped that the Government will not impose significant additional burdens upon LPAs but will leave LPAs to devise their own approaches. There are already requirements to provide access to planning obligations within the Planning Register. Most Councils make application documents available on their websites including planning obligations that have been entered into with respect to individual applications. It is recognised that obligations being legal documents are often difficult to interpret, so a summary approach is recognised to be required to provide public accessibility to planning obligations

One option to be considered would be to require developers to publicise infrastructure and affordable housing secured through new development

Planning fees

Question 18 (a)

Do you agree that a further 20% fee increase should be applied to those local planning authorities who are delivering the homes their communities need? What should be the criteria to measure this?

☐ Yes

☐ No

☒ Not sure/ don't know

Please enter your comments here

The Council welcomes the Government's acknowledgement that it is vital to have well-resourced, effective and efficient local authority planning departments. It also welcomed the 20% increase already proposed in nationally set planning fees for those local planning authorities who commit to invest the additional fee income in improving the productivity of their planning departments. The Council also notes the acknowledgement that many local authorities have to invest additional financial resource into their planning services to supplement fee income to meet the challenge of delivering new homes. The Council is however concerned that the focus, of the Government, appears to be entirely upon the challenge of delivering new homes when there are other important challenges— for example delivering employment development, development associated with the further education sector, and town centre development.

Question 18 (b)

Do you think there are more appropriate circumstances when a local planning authority should be able to charge the further 20 per cent? If so, do you have views on how these circumstances could work in practice?

Published 31 October, 2017

☐ Yes

☐ No

☒ Not sure/ don't know

Please enter your comments here

See response to Question 18(a)

Question 18 (c)

Should any additional fee increase be applied nationally once all local planning authorities meet the required criteria, or only to individual authorities who meet them?

☐ Apply nationally

☒ Apply to individual authorities only

☐ Not sure / don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question

Question 18 (d)

Are there any other issues we should consider in developing a framework for this additional fee increase?

Please enter your comments here

The Council does not wish to make any comments in response to this question

Other Issues

Question 19

Having regard to the measures we have already identified in the housing White Paper, are there any other actions that could increase build out rates?

☐ Yes

Published 31 October, 2017

☒ No

☐ Not sure/ don't know

Please enter your comments here

The Council does not wish to make any comments in response to this question