



planning advisory service



# **Beyond the Housing White Paper**

## **“Planning for the right homes in the right places” consultation**

Venue: event n

Planning Advisory Service

**September 2017**

**[www.local.gov.uk/pas](http://www.local.gov.uk/pas)**

# Introductions

- We are ...
  - Fire
  - Phones
  - End @ 16:15
-

# What is PAS?

- Funded by DCLG to support English planning authorities:

*“[PAS] exists to support local planning authorities in providing effective and efficient planning services, to drive improvement in those services and to support the implementation of changes in the planning system”*

- We also work directly with councils
  - Part of the Local Government family
-

# We are hiring !

## PRINCIPAL CONSULTANT

**Location:** Layden House, Farringdon

**Salary:** £52,499 per annum (incl. London Weighting)

**Department:** Leadership Centre

**Hours per week:** 35

**Closing Date:** 09/10/2017

[More.. >](#)

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# Or become a peer ...

## PAS Peers – Training the Trainers (Officers)

Planning Advisory Service

Tuesday, 10 October 2017 from 09:45 to 16:00 (BST)

London, United Kingdom

### Ticket Information

TYPE	END	QUANTITY
PAS Peers – Training the Trainers <a href="#">more info</a>	10 Oct 2017	Free <input type="text" value="1"/>

[Register](#)

# Purpose of today

1. To hear from DCLG about the recent consultation and the goals of the white paper
  2. To think through what it means for your council
  3. To understand what happens next, and how you can participate and prepare
  4. Participate– eg what does a statement of common ground look like ?
-

# Ground rules

DCLG are interested in your views – constructive critique and considered ideas - to help us all collectively rise to the challenges set out in the Housing White Paper and consultation

PAS will make a FAQ / guide / other things to help you and your councillors

Chatham House rules – We won't be reporting details of discussion just the headline learning points.

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# Agenda – this morning

- DCLG overview + Q&A
  - Standardised Need Assessment
    - The data table
    - The consultation questions
  - Duty to Cooperate case study
    - Plymouth and South West Devon
  - Lunch
-

# Agenda – this afternoon

- Statement of Common Ground
    - Scenario – what would you do ?
  - Presentation from a LPA perspective
    - Today = Rob Krzyszowski from K&C
  - Viability
  - Next steps
-

# Session 1: An overview from DCLG

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Department for  
Communities and  
Local Government

# Planning for the right homes in the Right Places





Department for  
Communities and  
Local Government

## Context: a comprehensive four-point plan for tackling the dysfunctional housing market

1. Planning for the right homes in the right places (plans and land)
2. Building homes faster
3. Diversifying the market
4. Helping people now

“We need to build many more houses, of the type people want to live in, in the places they want to live. To do so requires a comprehensive approach that tackles failure at every point in the system.”

The Rt Hon Theresa May MP





Department for  
Communities and  
Local Government

# Consultation concentrates on proposals to put more homes in the right places

**Takes forward housing White Paper commitments**

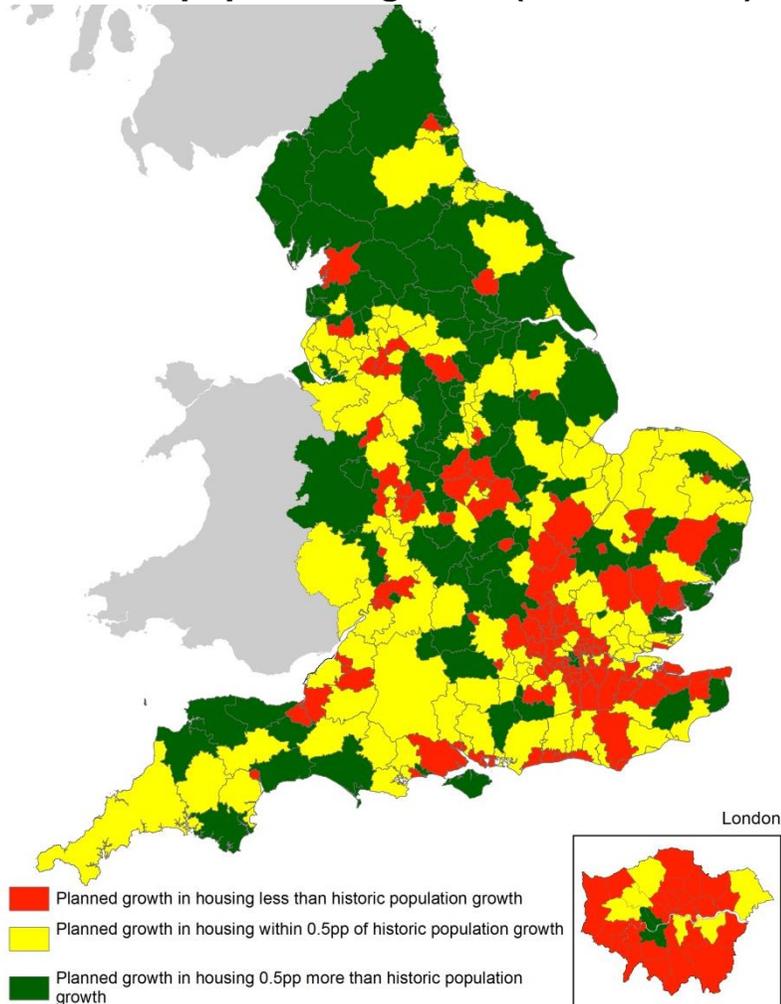
Key proposals include:

1. Standard approach to calculating local housing need
2. Supporting neighbourhood planning
3. Introducing a statement of common ground
4. Simpler approach to viability assessments
5. Increasing planning fees

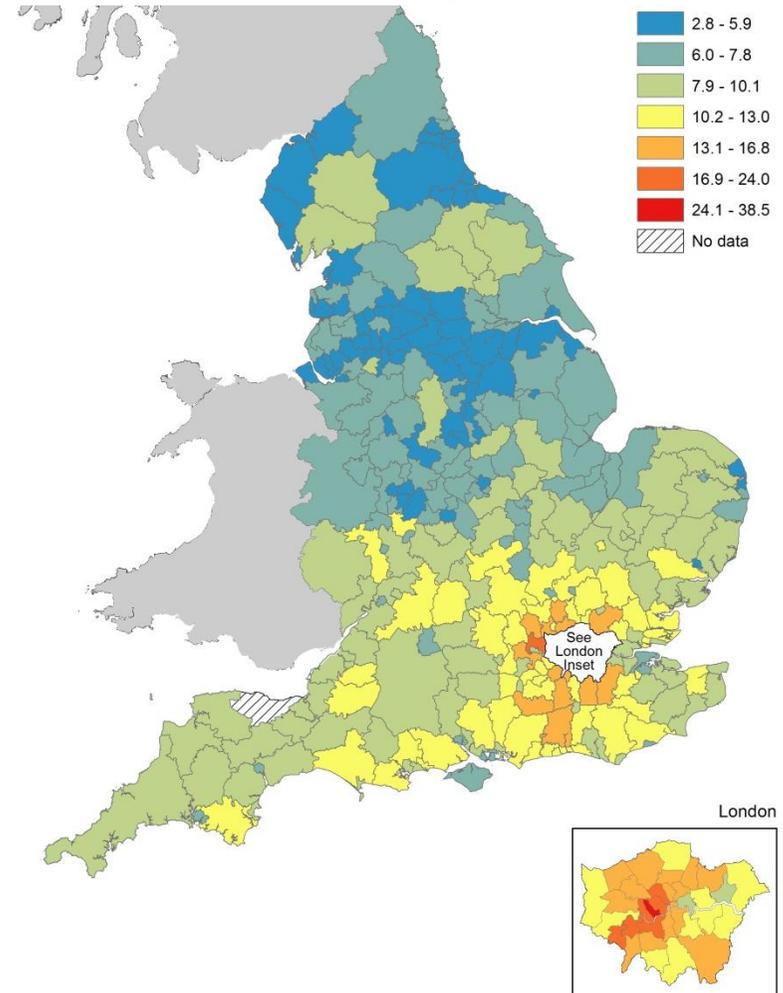


# Plans don't plan for housing where the most growth is, or affordability is worst

### Planned housing growth compared to historic annual population growth (2010 to 2015)



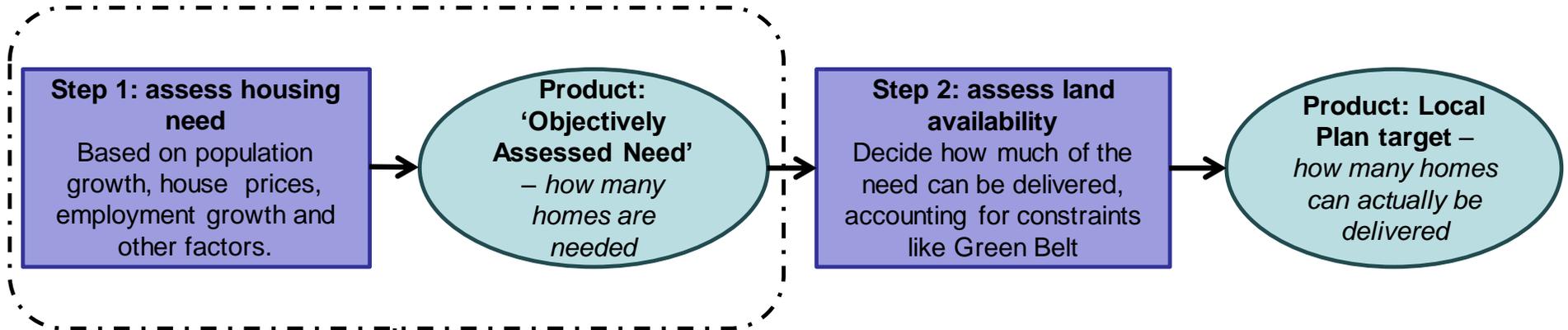
### Ratio of average house price to average earnings





## Current approach is not working effectively

Can create significant delays in plan preparation



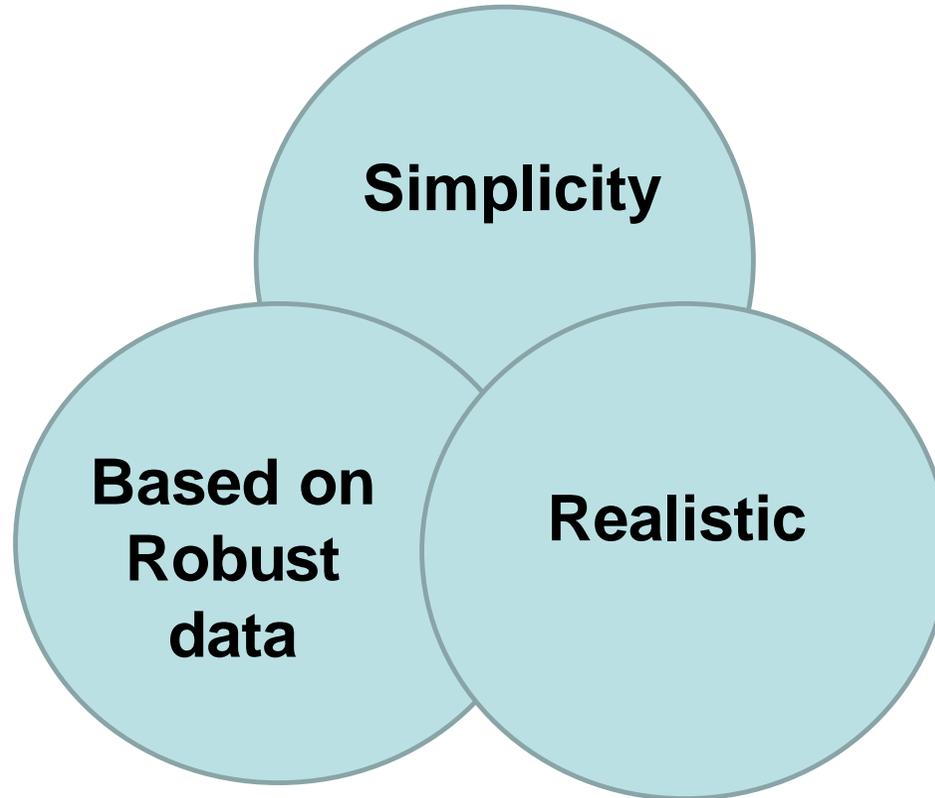
Local Plan Expert Group report highlighted a number of problems with the current approach for preparing Strategic Housing Market Assessment.

The result - a **complex and time-consuming process** which lacks transparency:

- Reliance on consultants to undertake this work, many of whom use complex and differing methods. **This costs time to prepare (at least 6 months) and money (at least £50K per assessment) and creates inconsistent approaches;**
- Local authorities, developers and local communities frequently engage in protracted debates over the proposed method, attempting to influence the final figure up or down. Risk of further consultation, with added cost and delay.



## A new consistent streamlined approach Based on three key principles





## New approach consists of three components

Seeks to reflect market signals

### Household Projections (the baseline)



### Adjustment for Affordability

Uplift of 0.25% to projections for every 1% affordability ratio is above 4



### Cap level of uplift

- More than 40% above their current local plan figure, if that plan is **under 5 years old**; or
- More than 40% above their local plan or projected household growth (whichever is **higher**), if their plan is **over 5 years old**



## Transitional Arrangements

Effects depend on location and current status of Local Plans

<b>Plan stage</b>	<b>Proposed transitional arrangement</b>
Plan under preparation	If the plan will be submitted for examination on or before 31 March 2018 or before the revised Framework is published (whichever is later), continue with the current plan preparation – otherwise, use the new standard method.
Plan is at examination stage	Progress with the examination using the current approach.
All other circumstances	Use the new standard method when next reviewing or updating the plan.



## Planning for a mix of housing needs

Expectation remains to plan for needs of different groups

Retaining National Planning Policy Framework expectations to plan for a mix of housing needs, including:

- Older and disabled people;
- Affordable housing;
- Self-build and custom build development
- Student accommodation

**We would welcome suggestions on how to streamline the process.**



## Providing greater housing certainty for neighbourhood planning bodies

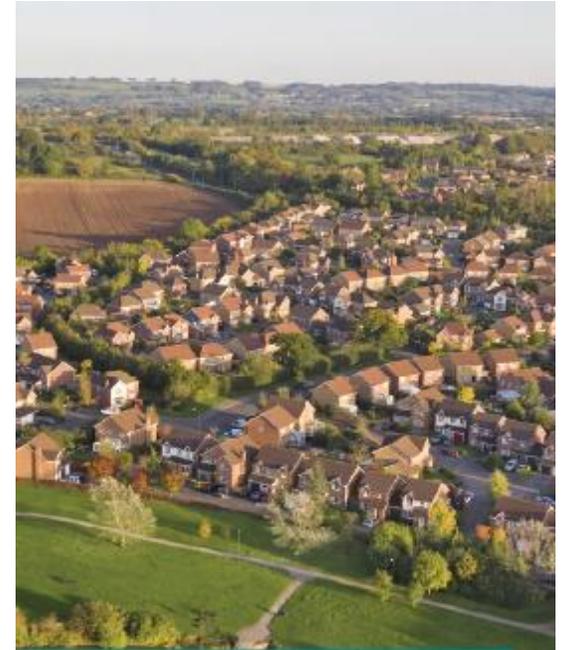
### Assessing housing need for a neighbourhood plan?



- **Up to date Local Plan** set out a housing figure for each designated neighbourhood planning areas and parishes
- 
- **Formula** to apportion the new standard approach for the LPA area, to the neighbourhood area
- 
- Takes population of the neighbourhood planning area and what percentage is of the LPAs area
- 
- The housing need figure for the neighbourhood plan area is the percentage of the LPA housing need



- Better evidence of Duty to Cooperate
- A framework for early cooperation
- Clearly setting out the key strategic cross boundary issues
- Improve transparency
- A living document where agreements have and haven't been reached
- Supporting strategic infrastructure investment
- Front loading to prevent plans being failed under duty to cooperate at the last moment





# What should a Statement of Common Ground cover?

## Preliminary SCG published after 6 months of revised NPPF

- Geographical area covered, with justification why
- Key strategic cross boundary matters being addressed, and proposals for meeting any housing shortfall.
- Primary authorities responsible for the statement and list of additional signatories (including matters to which each is a signatory)
- Governance arrangements for the co-operation process, including how the statement of common ground will be maintained and kept up to date



## Additionally after 12 months

- Process for agreeing the distribution of housing requirement (including unmet need) across the wider area, and agreed distributions (as agreed through the plan-making process)
- A record of whether agreements have been reached on key strategic matters
- Any additional strategic matters to be addressed by the statement which aren't already addressed





## Innovative approach to viability assessments

To improve use of Section 106 Agreements

- CIL review found that the current system of developer contributions is **not as fast, simple, certain or transparent** as originally intended.
- **No single consistent approach** for assessing viability
- Use of viability is adding **complexity and uncertainty to the planning process** – leading to delays and contributions for infrastructure and affordable housing.
- **No transparency with Section 106 Agreements** – communities unable to see what funding has been secured and when it has been spent



## Suggestions for improving viability

Key proposals include:

- **A standardised approach** to how viability is used in plan-making and decision-taking – including what issues should be tested.
- **No retesting of viability** at planning application stage, where proposal tested at plan-making stage and complies with plan policies
- **Greater transparency** – including on how viability assessments are used, and that communities are able to better understand how developer contributions have been secured and spent.



## Increasing local authority capacity

- The White Paper set out the Government's intention to increase nationally set planning fees by 20 per cent with the additional fee income ring-fenced for local authority planning departments.
- All planning authorities have accepted the 20 per cent fee increase and we are bringing forward the necessary regulations in the autumn to apply the increase.
- The White Paper suggested that an increase of a further 20 per cent on the current fee level could be applied to those authorities who are delivering the homes their communities need.
- We are now interested in obtaining views on the most appropriate criteria to enable this fee increase to be applied.



- Consultation contains 19 questions (6 on Local Housing Need)
- Ambition to published a draft, revised Framework early in 2018 – to check wording is clearly understood
- Aim to publish a revised Framework by Spring 2018.

**The consultation closes on 9 November 2017**

we prefer responses online:

<https://www.surveymonkey.co.uk/r/XFHM8RD>

We have included in the consultation a template to use if wishing to send by email:

[planningpolicyconsultation@communities.gsi.gov.uk](mailto:planningpolicyconsultation@communities.gsi.gov.uk)

# **Session 2: A standard method for calculating local housing need**

# Housing need data table

- Published as part of the consultation package
- Numbers !
- Careful to explain where each number came from
- But understood to be a “before” and “after” summary of proposal



## [Housing need consultation data table](#)

MS Excel Spreadsheet, 81.4KB

This file may not be suitable for users of assistive technology. [Request an accessible format.](#)

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## St Albans must build twice number of homes under proposed new calculation

 PUBLISHED: 09:19 21 September 2017 | UPDATED: 09:19 21 September 2017 | [Franki Berry](#)

Under a new future housing requirement calculation, implemented across the country under consultation as part of White Paper 'Fixing Our Broken Housing Market', St Albans district council (SADC) would be compelled to take on double the number of homes previously forecast.

# New housebuilding targets?

Extra dwellings proposed by Government per year for each area to 2026; current numbers planned by councils, and percentage of each area as Green Belt land



AUTHORITY	PROPOSED	CURRENT	G BELT
Ashford	989	825	38%
Canterbury	1,096	800	36%
Dartford	778	585	56%

The worst affected area would be Swale, with the government saying the yearly target would be 1,054 compared to the 776 the council says are needed.

# Can we explain this table to the Herts Advertiser ?

ONS Code	Local Authority	Indicative assessment of housing need based on proposed formula, 2016 to 2026 (dwellings per annum)	Current local assessment of housing need, based on most recent publicly available document (dwellings per annum)
E07000213	Spelthorne	590	552 - 757
E07000240	St Albans	913	639
E07000204	St Edmundsbury	446	550
E08000013	St Helens	504	451
E07000197	Stafford	424	500
E07000198	Staffordshire Moorlands	193	235 - 330
E07000243	Stevenage	443	380
E08000007	Stockport	1,078	1,011
E06000004	Stockton-on-Tees	533	600
E06000021	* Stoke on Trent	487	804
E07000221	Stratford on Avon	588	724
E07000082	Stroud	635	448
E07000205	Suffolk Coastal	495	460
E08000024	Sunderland	593	768

- 639 to 913 = 43% increase (not double)
- But what are these two numbers ? And 43% is more than 40% cap ?

# Our handout

- Any mistakes are ours
- You can make your own from scratch

<b>Data Sources</b>	<b>Source</b>	<b>Link</b>
Median Affordability Ratios, workplace based	Office for National Statistics	<a href="https://www.ons.gov.uk/peoplep">https://www.ons.gov.uk/peoplep</a>
2014 based household projections	Office for National Statistics	<a href="https://www.gov.uk/government/s">https://www.gov.uk/government/s</a>
National Park boundaries	Natural England	<a href="http://naturalengland-defra.openc">http://naturalengland-defra.openc</a>
Areas of Outstanding Natural Beauty boundaries	Natural England	<a href="http://naturalengland-defra.openc">http://naturalengland-defra.openc</a>
Sites of Special Scientific Interest boundaries	Natural England	<a href="http://naturalengland-defra.openc">http://naturalengland-defra.openc</a>
Green Belt boundary	DCLG	-

<b>Council</b>	<b>St Albans</b>	<b>Swale</b>
<b>affordability</b>	16.8	8.5
<b>index</b>	0.8	0.3
<b>ONS</b>	652	822
<b>indexed ONS</b>	1172	1054
<b>capped ONS</b>	913	1054
<b>comments</b>	capped !	not capped
<b>plan date</b>	-	26/07/2017
<b>plan age</b>	no plan	less 5 years
<b>plan target</b>	No adopted plan	776
<b>capped plan target</b>	0	1086
<b>existing</b>	639	776
<b>from</b>	SHMA	Plan target
<b>proposed</b>	913	1054
<b>from</b>	capped ONS	uncapped ONS

# Data table questions ?

- Do you feel confident you can explain where the numbers come from for your council ?
  - Are you happy to go into the substance of the consultation now ?
-

# New methodology recap

- Local Housing Need based on two numbers
  - An adjustment factor
    - Based on affordability
      - Which is based on median houseprice to workplace earnings
  - Projected household growth
    - Based on 10 year ONS figures
  - Capped so impact not more than 40% change
-

# New methodology recap

- Housing need will change as new datasets published
  - You can plan for more (para46)
    - Sound unless “compelling” reasons otherwise
  - You can use an alternative method and/or plan for less (para47)
    - Tested “rigorously”
-



## Questions 1 – 4 – the proposed approach and its implementation

### **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?

**b)** how can information on local housing need be made more transparent?

**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?

**Question 3:** do you agree that we should amend national planning policy so that a sound plan should identify local housing need using a clear and justified method?

**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 Planning Inspectors?



### 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?

**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?

**c)** do you consider that authorities that are not able to use the new method for 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 land supply and to be measured for the purposes of the Housing Delivery Test?

**Question 6:** do you agree with the proposed transitional arrangements for introducing the standard approach for calculating local housing need?

# Lunch

- The Government has already committed to a 20% increase in fees for all LPAs.
  - A further 20% increase is proposed in fees under “some circumstances”. **What should authorities have to do to access the fee increase? and how would you spend it?**
  - **Are extra fees the best solution for increasing capacity in planning departments?**
  - **Grab a post-it note.** A (very) modest prize for the best answers! Back at 13:30
-

# Session 5: Statement of Common Ground workshop

- **Statement of Common Ground workshop:  
How do you end up with an agreed  
statement of common ground ?**
-

# Statement of Common Ground Scenario

- The local planning authority at Great Gatsby District Council has asked for your advice on how they could formulate a Statement of Common Ground with two other authorities.
-

# Statement of Common Ground Scenario

Your group has 15 minutes to present recommendations for Great Gatsby that:

- a) Could be the best approach to forming a Statement of Common Ground; and
- b) What a good Statement of Common Ground in this context would look like.

**We want to focus on how to do it and the processes and people involved**

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## What should a Statement of Common Ground cover

### Preliminary SCG published after 6 months of revised NPPF

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## Question 7 – Administrative arrangements

- a) do you agree with the proposed administrative arrangements for preparing the statement of common ground?
- 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?
- c) do you consider there to be a role for directly elected Mayors without strategic plan-making powers, in the production of a statement of common ground?



## Question 8 – content and timescales

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?



## Questions 9a and b – ensuring effective delivery

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

# Coffee ...

- Other beverages are available



# Session 6: Local Planning Authority Perspective

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# Session 7: Assessing Viability

- Recap...





Department for  
Communities and  
Local Government

## Viability – what do we want to achieve?

- Simplify the process to speed up decision making and delivery
- Make viability assessment more transparent and consistent
- Increase transparency and understanding for communities

## How do we propose to do it?

- Plans set out how developers can contribute and are tested for viability
- Viability does not usually need to be tested again at planning application stage
- Guidance on how to make assessments simpler and more transparent
- More involvement of infrastructure and affordable housing providers
- Guidance on how to monitor and report on developer contributions
- Better publicity of infrastructure and affordable housing secured and delivered



**Question 12:** 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?

**Question 13:** in reviewing guidance on testing plans and policies for viability, what amendments could be made to improve current practice?

**Question 14:** do you agree that where policy requirements have been tested for their viability, the issue should not usually need to be tested again at the planning application stage?

**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?



## Questions 16 & 17 - transparency

**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?

**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?
- b) what factors should we take into account in preparing guidance on a standard approach to monitoring and reporting planning obligations?
- 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?

# Session 8: Next Steps

- Consultation closes on 9 November. Respond!
- DCLG aims to publish a draft, revised Framework early in 2018 – to check wording is clearly understood.
- DCLG aims to publish their revised Framework in Spring 2018.

This consultation closes at  
11:45pm on 9  
November 2017

## Summary

Consultation on further measures set out in the housing white paper to boost housing supply in England.

# PAS

- Visit our website- it includes some great resources, including:
    - A briefing note and video to help you brief your councillors and colleagues on the latest proposals.
    - Case studies on recent local plans and our peer challenge programme.
  - Subscribe to our bulletin to find out more about our future events.
  - No feedback form, no link to presentations
-

# Talking shop

- Simon Drummond-Hay on viability
- Mathew Spry on local housing need



# We are at [local.gov.uk/pas](http://local.gov.uk/pas)

## PAS

We provide high quality help, advice, support and training on planning and service delivery to councils. We help local government officers and councillors stay effective and up to date. We have a 'sector led' improvement approach, where local authorities help each other to continuously improve.



### Bulletin

Sign up for our Bulletin, which brings news of our latest support, case studies, events and muses.

### PAS Forum

Ask, learn and network with other planners and councillors across England.



# Tell your friends - we are hiring !

## PRINCIPAL CONSULTANT

Location: Layden House, Farringdon

Salary: £52,499 per annum (incl. London Weighting)

Department: Leadership Centre

Hours per week: 35

Closing Date: 09/10/2017

[More.. >](#)

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# Nominate your councillors too !

## PAS Peers – Training the Trainers (Officers)

Planning Advisory Service

Tuesday, 10 October 2017 from 09:45 to 16:00 (BST)

London United Kingdom

LIVE

## PAS Peers – Training the Trainers (Councillors)

Tuesday, 24 October 2017 from 09:45 to 16:00 (BST)



[Register](#)

# PAS

- Email [pas@local.gov.uk](mailto:pas@local.gov.uk)
    - Tell us what we can do to help
    - Invite us to your local POG
    - Show off if you are doing great things
  - Remember the Khub network @ khub.net
    - Planning officers, the PAS team - and others - from around the country exchange ideas and solve problems there.
    - The CIL and enforcement groups are very active too
-

**Questions?**



**Email**      **pas@local.gov.uk**

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**Phone**      **020 7664 3000**

**Twitter**      **@Pas\_Team**

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