



PAS Conference 2018

Milton Keynes - 26th & 27th July 2018

www.local.gov.uk/pas

Reference

- This is the deck used at #PASCONF18
 - Most images have been stripped out (“just in case”)
 - We had a great conference
 - Thanks to all speakers / delegates
 - See you next year ?
-

Purpose of today

- Introduce the new NPPF
 - Time / space to consider / debate / think
 - what matters to your place ?
 - what “heads up” do your leaders need?
 - what do you need to do?
 - what are you going to change ?
 - How can PAS help?
 - what we’re going to do
 - what would you like?
-

What is PAS?

- Funded by MHCLG to support English planning authorities
 - That is why the event is “free”
 - It’s not really free. Perhaps £250/each ?
 - Your feedback helps us to
 - Get better at this
 - Prove to Government that this is money well spent
 - Part of the LGA
 - We think local government is great
-

Today

1. Overview from MHCLG + Q&A
 2. Viability
 3. Strategic Planning
 4. Joint Planning and SoCG
 5. ----- Lunch -----
 6. PAS speed dating
 7. A local perspective from MK
 8. NPPF - 2020
-

Tomorrow

1. Spending CIL & S106
2. Homes England
3. Developers' Panel
4. How we can help?
5. ----- Lunch -----

Finish at 2pm.



Ministry of Housing,
Communities &
Local Government

National Planning Policy Framework PAS Peer Conference, Milton Keynes, 26th July

David Waterhouse

Planning Policy & Reform



Ministry of Housing,
Communities &
Local Government

Context: Planning Reform Timeline





July 2018 Planning Package

- Final NPPF
- Government response to NPPF consultation
- Planning guidance:
 - standard method for assessing housing need
 - Housing Delivery Test rulebook
 - Viability guidance



How the NPPF was revised

The consultation was launched on 5 March by the Prime Minister

“This government is rewriting the rules on planning. With the major overhaul being published today, we’re giving councils and developers the backing they need to get more homes built more quickly...The reforms driven forward under our last Prime Minister led to a great and welcome increase in the number of planning permissions granted. But we did not see a corresponding rise in the number of homes being built.”

On 5 March we published:

Draft revised NPPF with all proposals incorporated into text

Consultation on the draft wording – closed on 10 May

Consultation on reforms to developer contributions – also closed on 10 May

As well as.....

Government response to the Housing White Paper consultation

Government response to the *Planning for the right homes in the right places* consultation

Draft guidance on key housing and plan-making reforms

Housing Delivery Test draft rulebook

Section 106 planning obligations and the Community Infrastructure Levy research report **10**



Final NPPF: Key themes

Design quality

Environmental
protection

Diversification
and mix of sites

Improving
certainty and
delivery

Green Belt
protection

Developer
contributions



Shorter, sharper

Clearer structure

The screenshot shows a document comparison interface with two panels. The left panel is titled '2116950 (13).pdf' and shows page 7 of 65. The right panel is titled 'Draft_revised_National_Planning_Policy_Framework.pdf' and shows page 4 of 70. Both panels display the 'Introduction' section of a document. The text in the left panel is highlighted in red, while the text in the right panel is highlighted in green. The interface includes a search bar, navigation arrows, and zoom controls.

2116950 (13).pdf

Page: 7 of 65 Automatic Zoom

Introduction

- The National Planning Policy Framework sets out the Government's planning policies for England and how these are expected to be applied.¹ It sets out the Government's requirements for the planning system only to the extent that it is relevant, proportionate and necessary to do so. It provides a framework within which local people and their accountable councils can produce their own distinctive local and neighbourhood plans, which reflect the needs and priorities of their communities.
- Planning law requires that applications for planning permission must be determined in accordance with the development plan,² unless material considerations indicate otherwise.³ The National Planning Policy Framework must be taken into account in the preparation of local and neighbourhood plans, and is a material consideration in planning decisions.⁴ Planning policies and decisions must reflect and where appropriate promote relevant EU obligations and statutory requirements.
- This Framework does not contain specific policies for nationally significant infrastructure projects for which particular considerations apply. These are determined in accordance with the decision-making framework set out in the Planning Act 2008 and relevant national policy statements for major infrastructure, as well as any other matters that are considered both important and relevant (which may include the National Planning Policy Framework). National policy statements form part of the overall framework of national planning policy, and are a material consideration in decisions on planning applications.
- This Framework should be read in conjunction with the Government's planning policy for traveller sites. Local planning authorities preparing plans for and taking decisions on travellers sites should also have regard to the policies in this Framework so far as relevant.

Draft_revised_National_Planning_Policy_Framework.pdf

Page: 4 of 70 Automatic Zoom

1. Introduction

- The National Planning Policy Framework sets out the Government's planning policies for England and how these should be applied¹. It provides a framework within which locally-prepared plans for housing and other development can be produced.
- Planning law requires that applications for planning permission be determined in accordance with the development plan², unless material considerations indicate otherwise³. The National Planning Policy Framework must be taken into account in preparing the development plan, and is a material consideration in planning decisions. Planning policies and decisions must also reflect relevant international obligations and statutory requirements.
- General references to planning policies in this Framework should be applied in a way that is appropriate to the type of plan being produced, taking into account policy on plan-making in chapter 3.
- The Framework does not contain specific policies for nationally significant infrastructure projects. These are determined in accordance with the decision-making framework in the Planning Act 2008 (as amended) and relevant national policy statements for major infrastructure, as well as any other matters that are relevant (which may include the National Planning Policy Framework). National policy statements form part of the overall framework of national planning policy, and may be a material consideration in preparing plans and making decisions on planning applications.
- The Framework should be read in conjunction with the Government's planning policy for traveller sites, and its planning policy for waste. When preparing plans or making decisions on applications for these types of development, regard should also be had to the policies in this Framework, where relevant.

Document comparison powered by Draftable

Sync Scrolling

Share

Help



Addresses interpretation issues

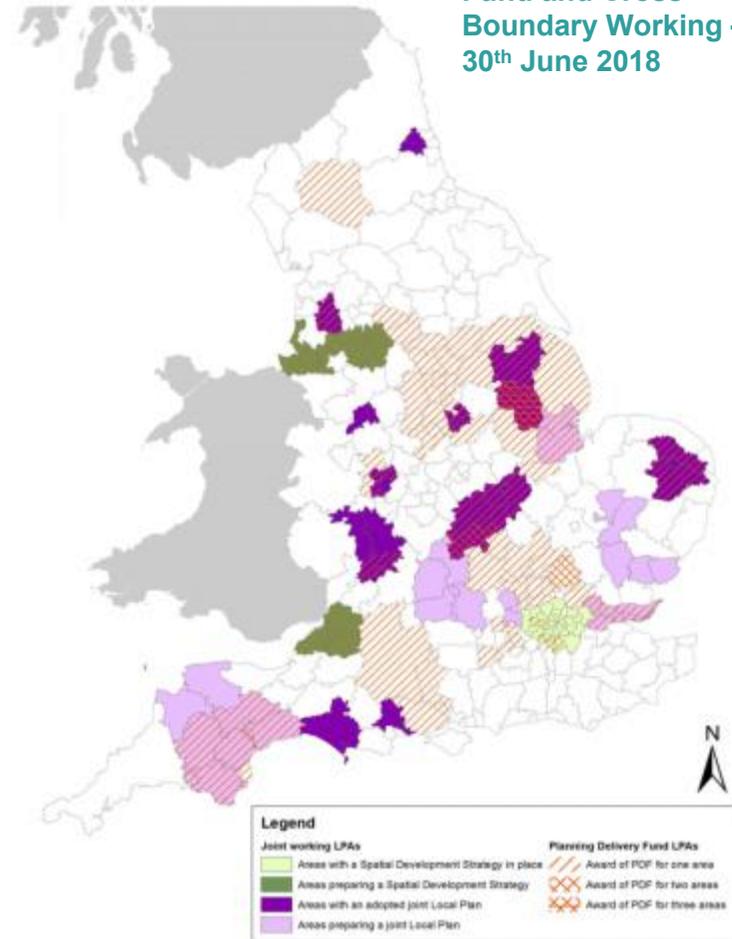
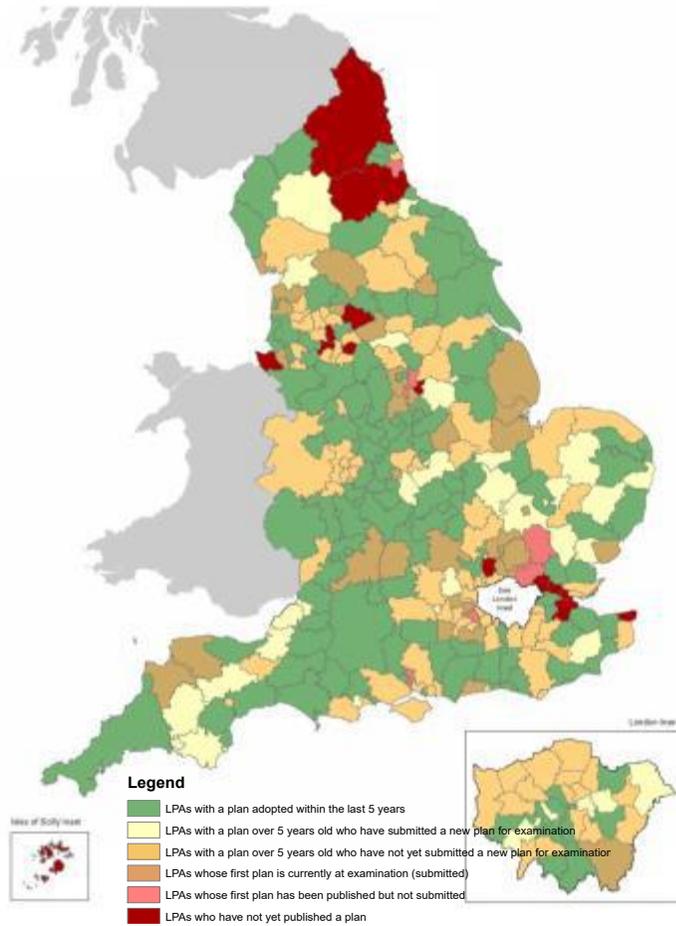
Integrates core principles



Context: Local Plan coverage

Local Plan Progress - 30th June 2018

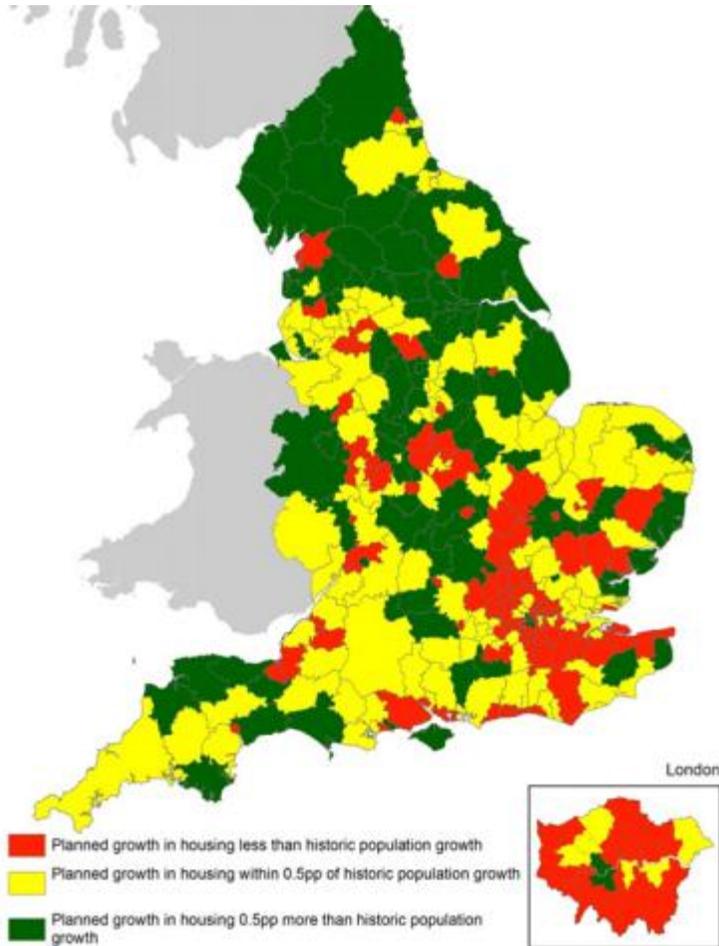
Planning Delivery
Fund and Cross
Boundary Working –
30th June 2018



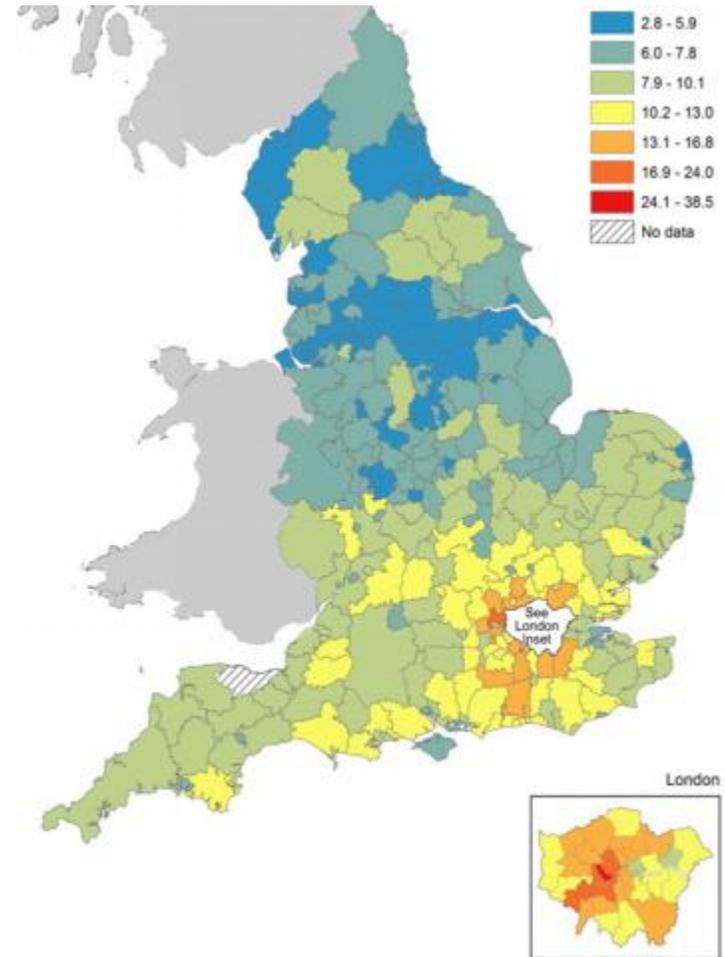


Context: We don't plan for housing where need is greatest, or where affordability is worst

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



Ratio of average house price to average
earnings





Ministry of Housing,
Communities &
Local Government

Plan making – more flexible and proportionate

Not one size fits all

Key strategic priorities

Proportionate evidence

Five year reviews

Statement of common ground

Proportionate soundness tests



Have your say





Ministry of Housing,
Communities &
Local Government

Addressing Needs

Presumption
clearer &
stronger

Stronger cross
boundary
expectations

Housing Delivery
Test

Standard method
for assessing
housing need

Housing
numbers for
neighbourhood
plans

Strengthened
soundness tests



Improving certainty and delivery

Five year supply
baseline

Agreeing five
year supply

Small sites
requirement

Shortened
commencement
periods

Housing delivery
test



Good design and effective use of land

Locally led
design standards

Role of transport,
health,
integration and
security in design

Target under
utilised land and
'building up'

Reallocation and
alternative uses

Optimise land
use including
minimum density
standards

Density and form
to reflect local
character &
opportunities

Daylight and
sunlight



Ministry of Housing,
Communities &
Local Government

Context: Environmental Protection





Environment protection & net gains

Net gains –
through plans &
biodiversity...

And where Green
Belt is released

Increased
protection for
ancient woodland
& heritage coast

Consider risks
from overheating

Agent of change
principle
strengthened



Reforms to viability and developer contributions

New approach to viability

Clear expectations for contributions in plans

Standardisation of viability assessments

Making CIL-setting easier

Increasing market responsiveness of CIL

Improved transparency and increasing accountability



Ministry of Housing,
Communities &
Local Government

Rural development

- Business/community facilities outside settlements
- Farm succession & property subdivision
- Rural exception sites in the Green Belt
- Changes of use in Green Belt



Ministry of Housing,
Communities &
Local Government

Next Steps

- Further guidance in the late Summer
- NPPF implementation - PAS regional events
- Autumn Budget....
- Spending Review....

PLANNING ADVISORY SERVICE CONFERENCE VIABILITY AND THE NPPF



CAROL WILHELM FERREIRA

26 July 2018



**BNP PARIBAS
REAL ESTATE**

Real Estate for a changing world

INTRODUCTION

1. New and “Improved” viability policy
2. How will testing viability of plans change?
3. Determining Viability - methodology
4. Determining the ‘plus’ / ‘premium’
5. What role left for viability in decision making
6. Key issues to consider

1

NEW AND “IMPROVED” VIABILITY POLICY



New and improved - 2018 NPPF Policy

NPPF Para 16:

“Plans should:... b) be prepared positively, in a way that is **aspirational** but **deliverable**”

NPPF Para 34:

“Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). **Such policies should not undermine the deliverability of the plan.**”

NPPG Viability Para 10

New and improved - 2018 NPPF Policy

NPPG Viability Para 010:

“In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.”

New and improved - 2018 NPPF Policy

NPPF Para 57:

“Where up-to-date policies have set out the contributions expected from development, **planning applications that comply with them should be assumed to be viable.**

It is **up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.**

The **weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force...**”

New and improved - 2018 NPPF Policy

NPPF Para 57 cont.:

“...All viability assessments, including any undertaken at the plan-making stage, should **reflect the recommended approach in national planning guidance, including standardised inputs**, and should be **made publicly available**.”

2

WHAT DOES THIS MEAN FOR TESTING VIABILITY OF PLANS?



Testing plan viability in the future

NPPG Viability Para 002

“The role for viability assessment is primarily at the plan making stage”

“Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the decision making stage.”

- How realistic is this proposition?
- How good can area-wide testing ever be?
- What about the impact of market cycles?
- Is there a risk of a race to the bottom?

Testing plan viability in the future

NPPG Viability Para 003:

- Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable i.e. can use site typologies
- detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies

Testing plan viability in the urban context

Local Plan Viability Testing

- Hypothetical typologies, perhaps 20
- Average benchmark land values
- Average costs (e.g. BCIS)
- Average values
- Not dynamic

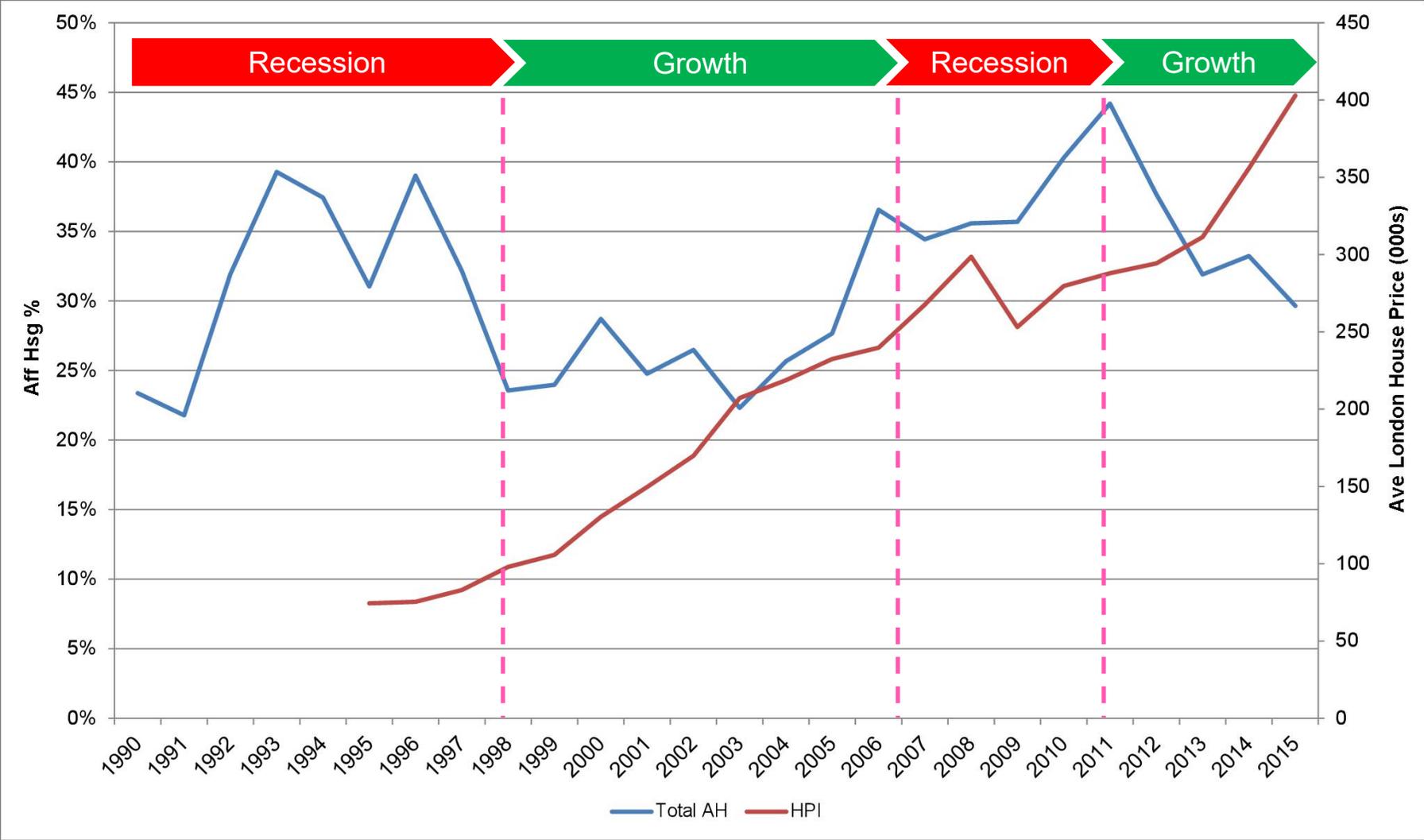
Scheme specific development design

- Massing
- Site surveys, ground conditions
- Design responding to neighbours
- Heights, rights to light
- Mix of uses
- Daylight/sunlight
- Scheme specific costs
- Highways impacts
- Utilities capacity
- Needs assessments
- Consultation with statutory bodies
- EUV unique to the site

Plan testing can only establish a framework/bookends

Some degree of flexibility will always be required – optimisation vs quota-based

Market cycles and affordable housing delivery

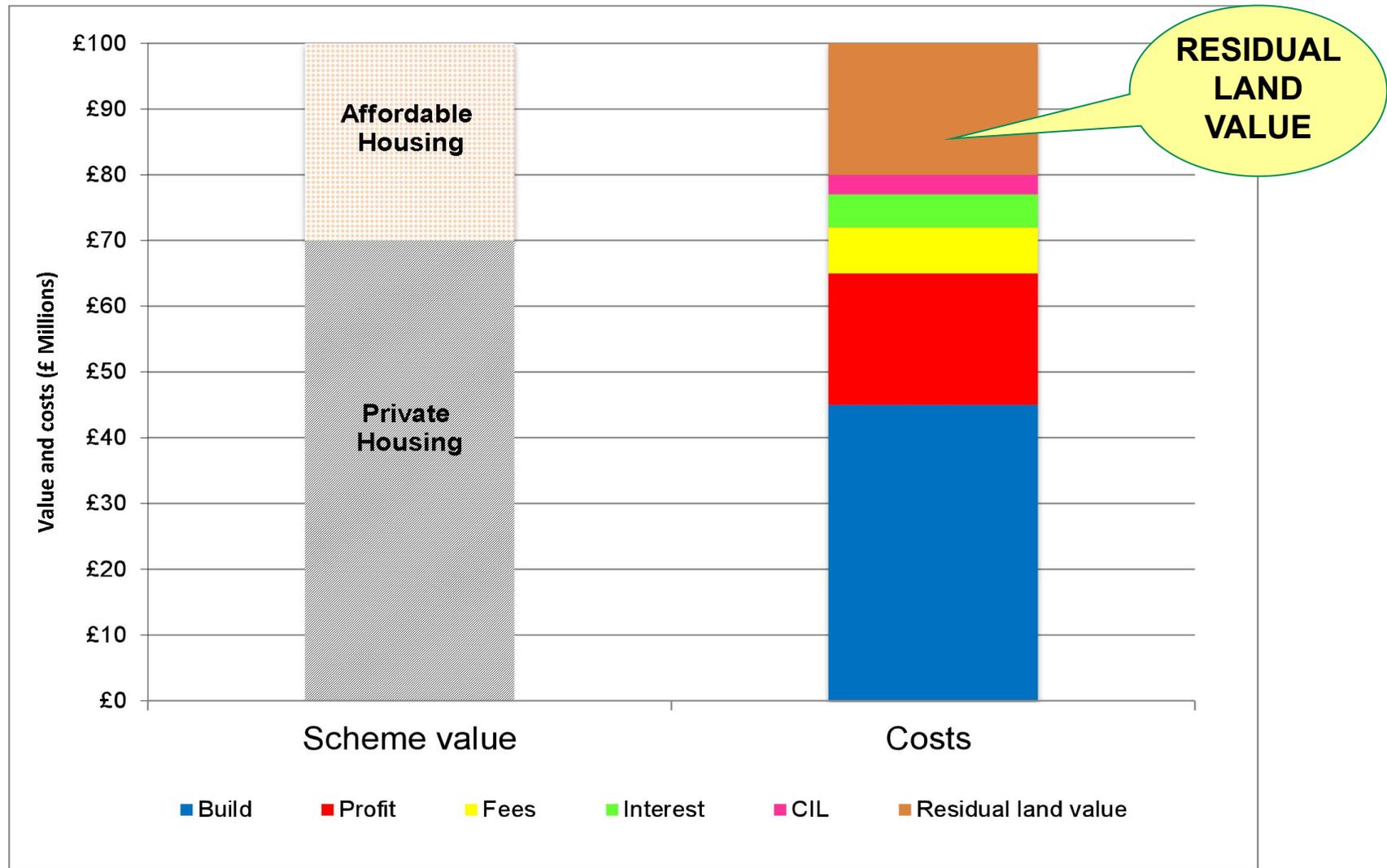


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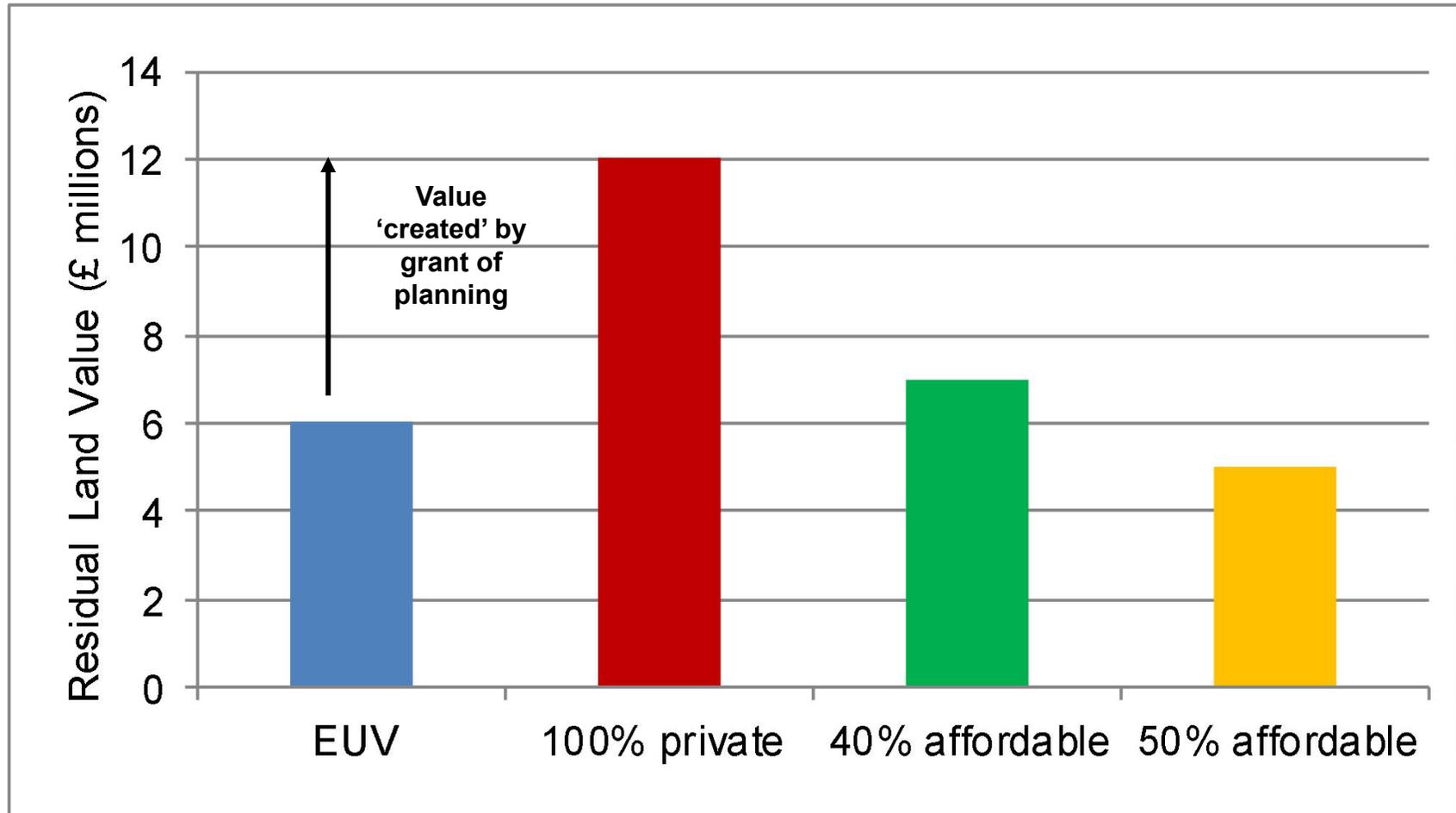
DETERMINING VIABILITY (METHODOLOGY)



Working out the value of scheme is the easy bit



Why EUV is critical – capturing uplift in land value



New PPG on Viability

NPPG Viability Para 014

Benchmark Land Vale should:

- be based upon existing use value
- allow for a premium to landowners (including equity resulting from those building their own homes)
- reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and
- be informed by market evidence including current uses, costs and values wherever possible. Where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

New PPG on Viability

NPPG Viability Para 015

EUV is:

- value of the land in its existing use
- right to implement any development of extant planning consents,
- right to implement realistic deemed consents,
- without regard to alternative uses.

“... Existing use value is not the price paid and should disregard hope value”

“Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.”

New PPG on Viability

NPPG Viability Para 017

“...AUV of the land may be informative in establishing benchmark land value”

Plan makers to set out circumstances where AUVs can be used:

- fully comply with development plan policies;
- could be implemented on the site in question;
- there is market demand for that use; and
- explanation as to why the alternative use has not been pursued.

“... Valuation based on AUV includes the premium to the landowner. If evidence of AUV is being considered the premium to the landowner must not be double counted.”

Issues with the suggested approach

- *“reflect the implications of abnormal costs”* – could drive benchmark value below EUV but important to consider AUVs
- *“adjustments to reflect the cost of policy compliance”* – circularity issue
- *“Is not the price paid”* – yet advocates transactional data to calculate BLV

4

DETERMINING THE 'PLUS' OR PREMIUM ON AN EUV



New PPG on Viability

What is the 'premium' / 'plus'?

“...The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements...”

New PPG on Viability

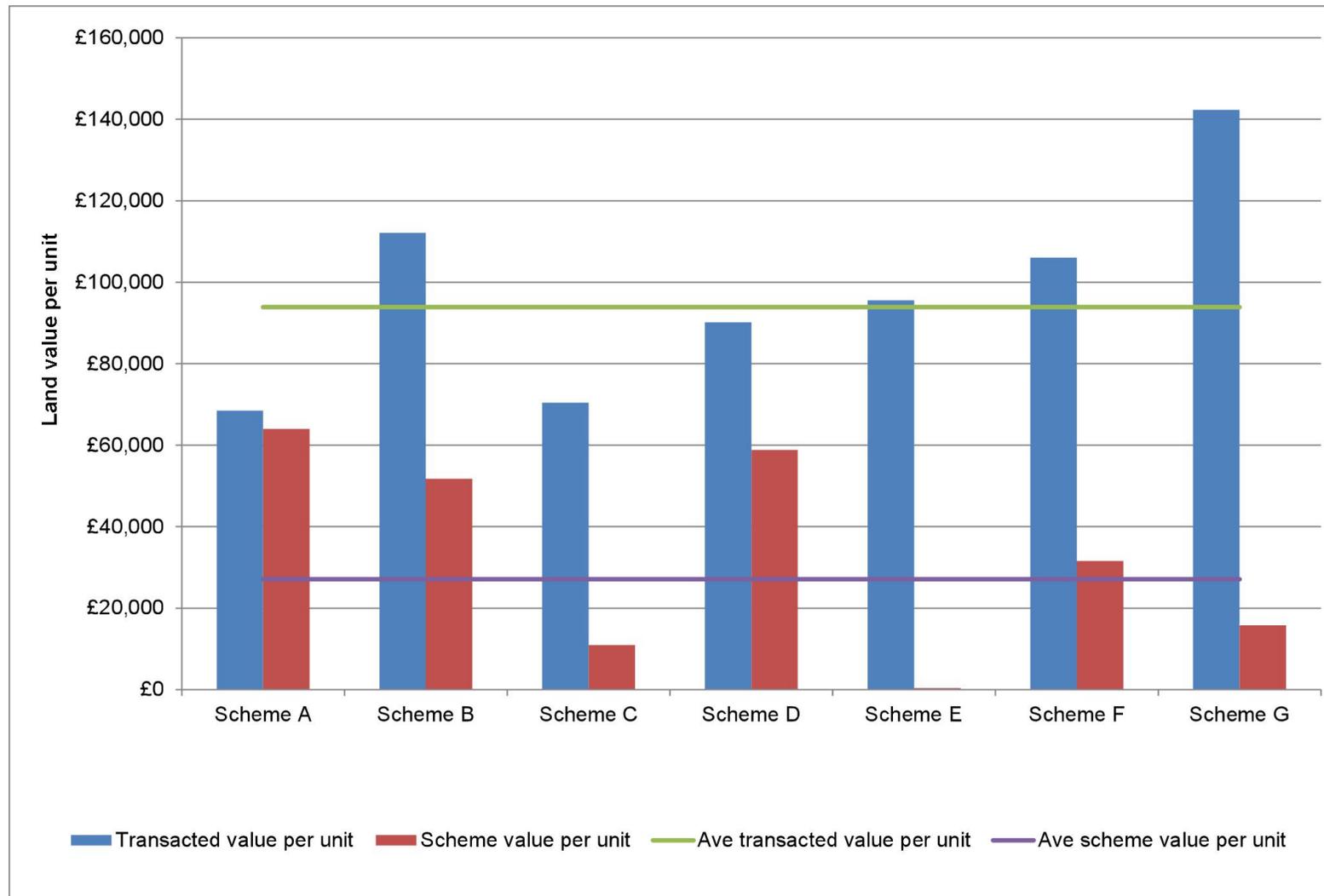
How is it calculated?

“...data sources to inform the establishment the landowner premium should include market evidence and can include benchmark land values from other viability assessments. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners.”

Issues to consider when calculating the 'plus'

- How do we know what will incentivise a landowner to release their site?
- Sites trade all the time *at* existing use value for on-going use
- Transactions tell us *what* was paid, not whether it was the minimum
- Transactions = price paid (for other sites), which PPG tells us not to use

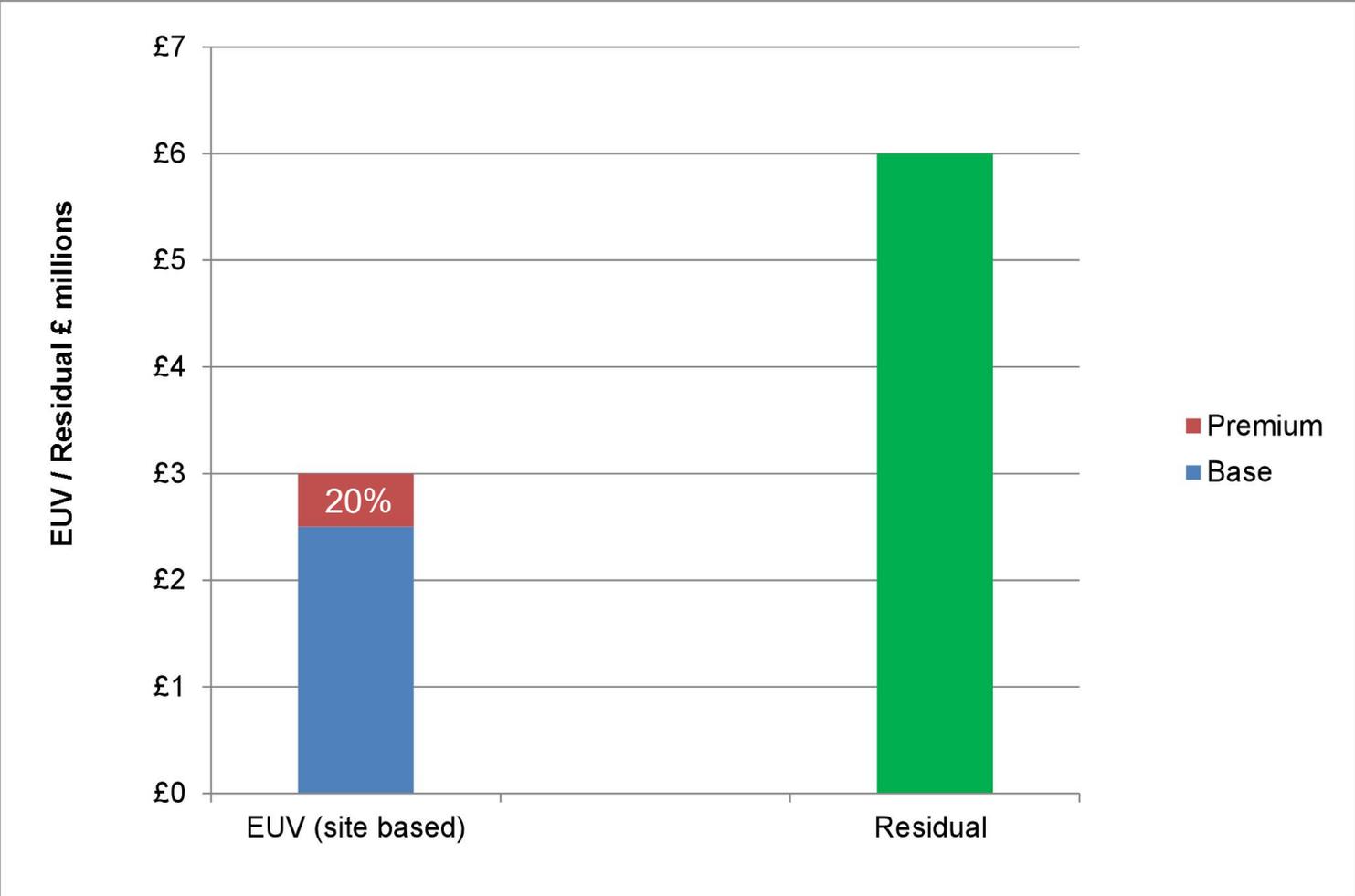
Using market evidence to determine the 'plus'



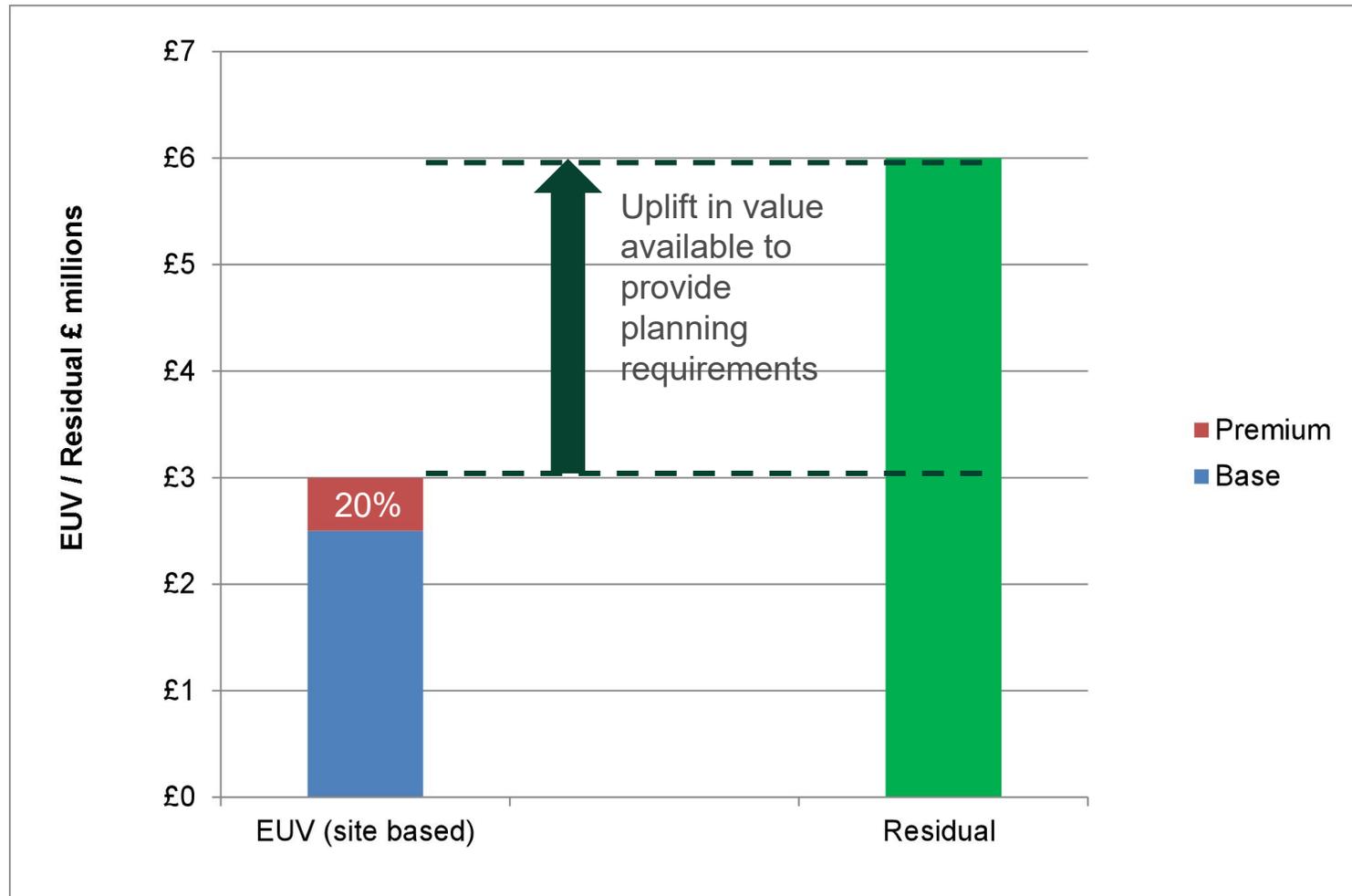
Site-based approach to determine the 'plus'

Occupied and income generating	Yes	7.50%	No	0.00%
			Yes	7.50%
Occupational terms	Long lease	2.00%	Long lease	2.00%
			Owner occupied	5.00%
			Short lease/licence	0.00%
Likely covenant strength of tenants	Strong	3.00%	Medium	1.50%
			Poor	0.00%
			Strong	3.00%
Demand from alternative occupiers	Strong	5.00%	Few	2.50%
			None	0.00%
			Strong	5.00%
Condition	Fair	2.50%	Fair	2.50%
			Good	5.00%
			Poor	0.00%
TOTAL INDICATIVE PREMIUM		20.00%		

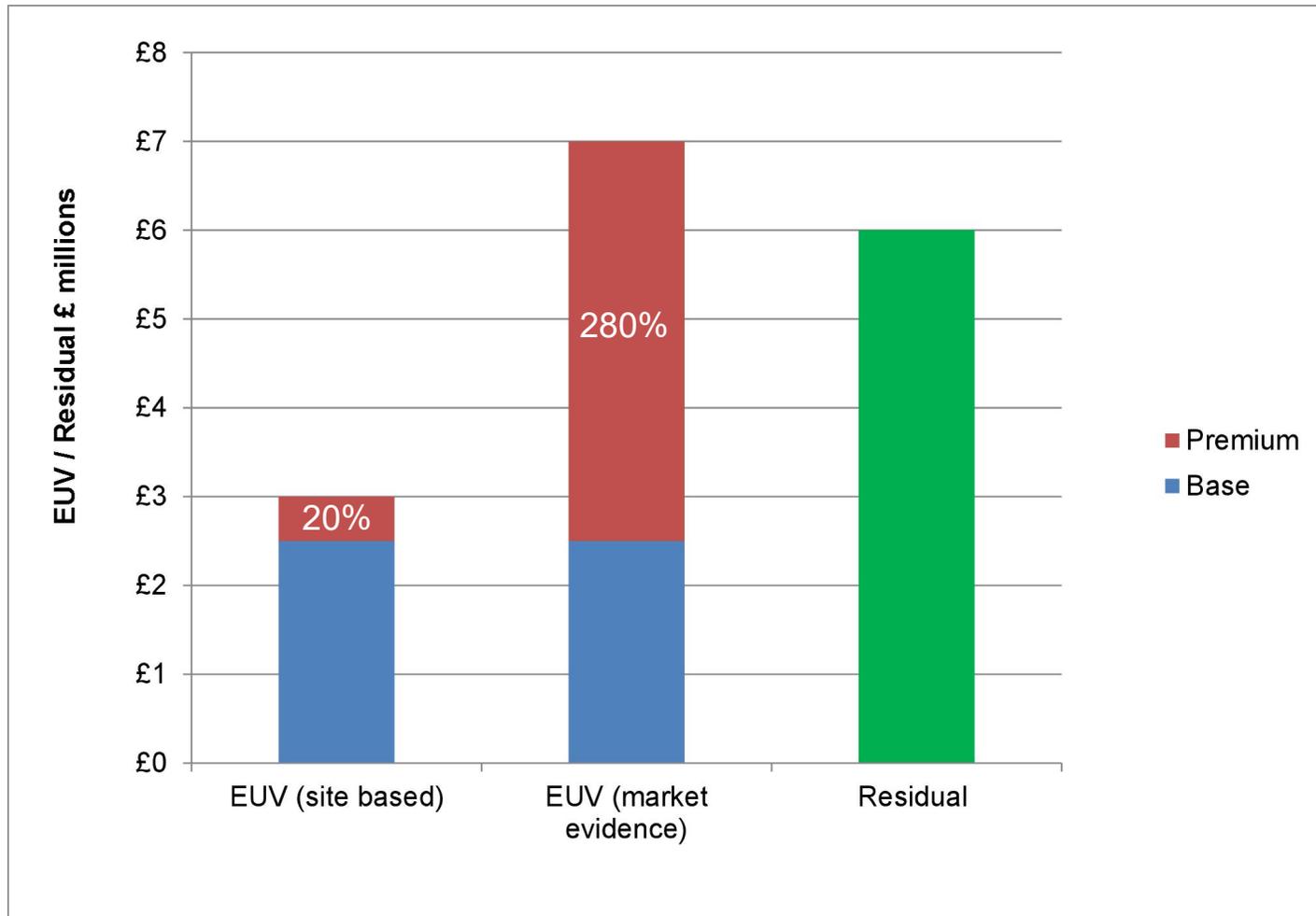
Using market evidence to determine the 'plus'



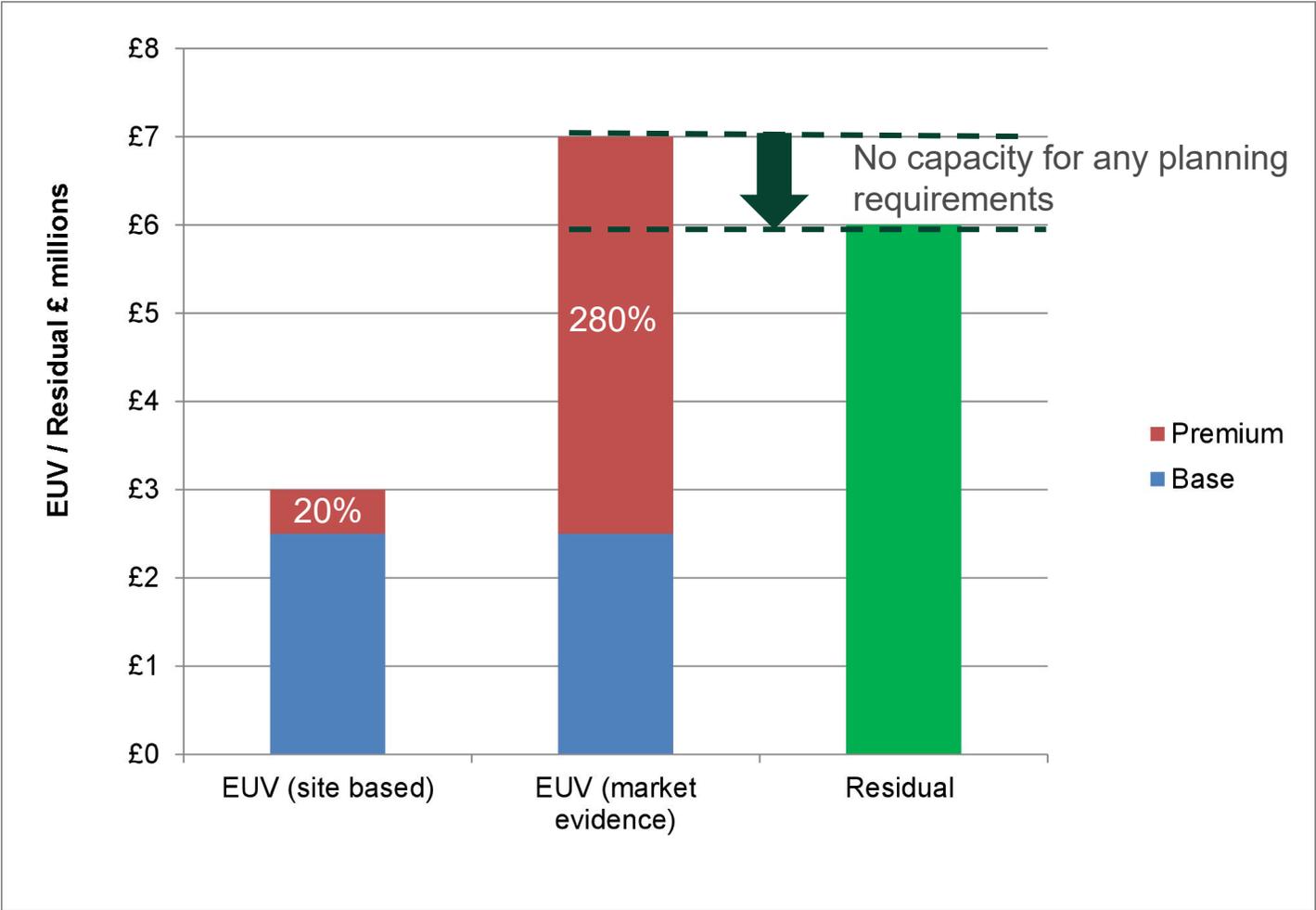
Using market evidence to determine the 'plus'



Using market evidence to determine the 'plus'



Using market evidence to determine the 'plus'



5

WHAT ROLE IS ENVISAGED FOR VIABILITY IN DECISION MAKING?



We have viability tested the plan...

NPPG Viability Para 002

“The role for viability assessments is primarily at the plan making stage”

NPPG Viability Para 008

“Where a viability assessment is submitted to accompany a planning application this should be based upon and refer back to the viability assessment that informed the plan; and the applicant should provide evidence of what has changed since then.”

But Local Plan:

- Tested on average values & costs
- Not scheme / site specific
- Market likely to have changed

We have viability tested the plan...

NPPG Viability Para 007

“ Such circumstances could include, for example:

- where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan;
- where further information on infrastructure or site costs is required;
- where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or
- where a recession or similar significant economic changes have occurred since the plan was brought into force.”

We have viability tested the plan...

NPPG Viability Para 008 cont.

“The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and viability evidence underpinning the plan is up to date, any change in site circumstances since the plan was brought into force...”

6

KEY ISSUES TO CONSIDER



Key issues

- **To be aspirational and deliverable policies need to be capable of being flexible**
- **Plan viability testing can never seek to replace scheme specific testing in all circumstances, especially in urban areas**
 - Live developments can never be sufficiently close to the typologies tested
 - Existing use values will vary significantly
 - Markets are cyclical – plan viability is a snapshot in time
- **Benchmark land value needs to be right**
 - EUV is a good starting point
 - Basing premium on land transactions is just Market Value by another name – squeezes out policy requirements
 - Reasonable AUVs - need to meet the 4 tests
 - Planning system should not cede control of plan making to the market
 - Do not import market behaviour into plan making – the plan should influence the market
- **Plan viability should establish the bookends – testing at decision making stage will still be needed**

PLANNING ADVISORY SERVICE CONFERENCE VIABILITY AND THE NPPF



FFRRFIRA

26 July 2018



**BNP PARIBAS
REAL ESTATE**

Real Estate for a changing world

Coffee - back at 12:00 ?

- Unfinished business ?
 - Put in the comments part of your feedback form
 - During the break if you haven't already, contribute some dots to our heatmap
-

Strategic planning & the role of joint plans

Catriona Riddell

PAS Conference, Milton Keynes
26 July 2018



The journey back to effective strategic planning

2010

Coalition Government abolish regional planning and introduce **locally derived housing system through NPPF**, supported by the **Duty to Cooperate** *“When people know that they will get proper support to cope with the demands of new development; when they have a proper say over what new homes will look like; and when they can influence where those homes go, they have reasons to say “yes” to growth.”* [Greg Clarke, Planning Minister 2010]

2016

Government Technical Consultation highlights *“the advantages of strong strategic plan-making across local planning authority boundaries, in particular in addressing housing need across housing market areas”*. **Local Plan Expert Group** identifies challenges around strategic planning as key barrier to local plan preparation and growth and recommends changes to provide ‘more teeth’ to the Duty to Cooperate, most of which have subsequently been taken forward by Government

2017

Government set out initial proposals for planning reform in **Housing White Paper** - new ‘strategic’ local plan option preferably with *“...more and more local authorities working together to produce a strategic plan over a wider area on the functional economic geography that is right for their part of the world...”*; more robust approach to be introduced to Duty to Cooperate through mandatory ‘statements of common ground’ (to include county councils) and new examination ‘tests of soundness’. Further details set out in the later **Right Homes in Right Places** consultation.

Neighbourhood Planning Act 2017 provides statutory requirement to set out ‘strategic priorities’ through planning ‘portfolio’, more LP intervention powers and new powers to allow the Secretary of State to direct the preparation of a joint local plan where this would *“facilitate the more effective planning of the development and use of land in the area”*.

Joint working over strategic areas key criterion on Government decisions on **Housing Infrastructure Fund** and **Planning Delivery Fund** aimed at supporting *“greater collaboration between councils, a more strategic approach to planning, housing and infrastructure...”*

SoS LP intervention process initiated for first 15 LPAs- SoS decisions to be *“informed by the wider planning context in each area (specifically the extent to which authorities are working cooperatively to put strategic plans in place)”*.

Need for more effective strategic and infrastructure planning emphasised in wider Government announcements with **Budget 2017** endorsing Cam-MK-Ox Corridor and proposals for new ‘strategic infrastructure tariff’ (SIT) and 5 new towns in South East; and **Industrial Strategy White Paper** emphasising support for *“greater collaboration between councils, a more strategic approach to planning housing and infrastructure...”*

2018

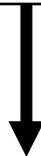
First new style **Joint Strategic Plan submitted for examination** (West of England) with four others being prepared. Other LAs considering a move to the new strategic plans on joint basis.

Revised NPPF published July 2018 confirming support for joint plans and development plan ‘portfolio’



Strategic planning 2018

Overall Government priority:
**increase housing delivery to 300k
per annum**



Quicker and more effective plan-making

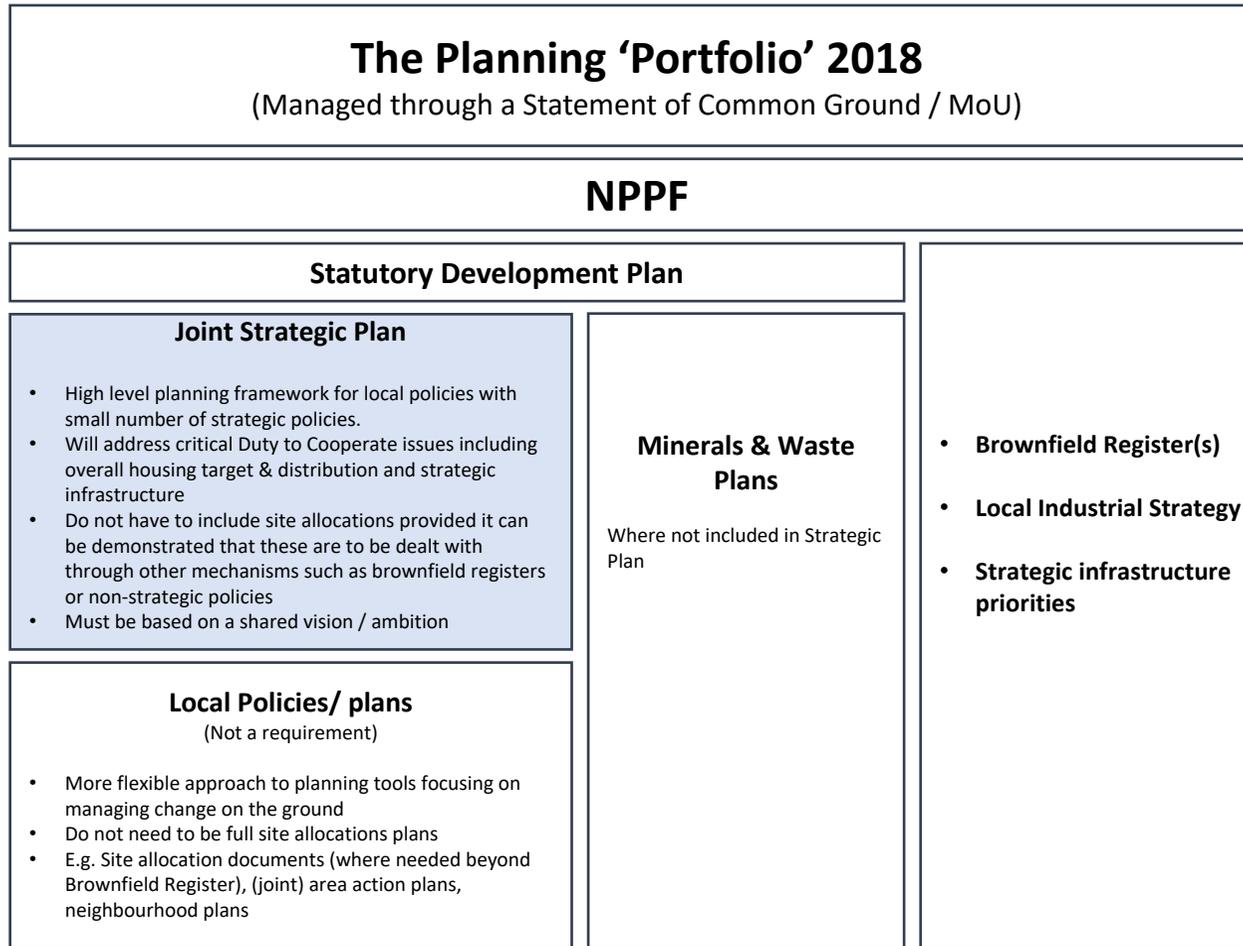
Speed up delivery
of local plans
(e.g. intervention, use of
planning 'freedoms &
flexibilities')

**More effective
strategic planning**



- New **local plan 'portfolio'** approach introduced with emphasis on **joint planning**
- Duty to Cooperate strengthened through **Statement of Common Ground** and **new tests of soundness** to ensure DtC is 'duty to agree'- Strategic policies to be *"informed by agreements with other authorities"* and *"based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground"*.
- **Strategic Infrastructure Tariff** to be introduced - but can only be levied by combined authorities or through statutory joint local plan committee (as currently proposed).
- Increasing number of **housing and growth deals** with more effective joint planning a key part.
- **Fiscal incentives** offered for more effective strategic planning through government infrastructure & capacity funding.
- Strategic planning **key factor in government agency priorities** e.g. Highways/ Homes England.
- Strategic approach to transport beginning to emerge **through Sub-national transport bodies**
- **National spatial priorities** begin to emerge from Government e.g. CAMKOX Corridor, Thames Estuary, Northern Powerhouse, new towns (in South East)

Joint Strategic Plans 2018



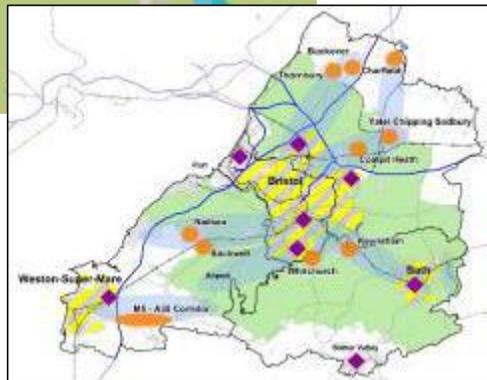
Joint Strategic Plans

Current practice

The incentives for Joint planning

- Considered to be **only way of getting over very high Duty to Cooperate hurdle** provided by Government's new approach to strategic planning.
- To provide more opportunities - **bigger spatial canvas**- for effective place-shaping and deliver sound and legally compliant planning frameworks – many areas facing significantly increased challenges around housing provision since 2012 therefore different spatial options now needed (some prompted by DtC failures).
- A **move back to 'place' and away from 'planning by numbers'**, recognising that long term spatial priorities must be fully aligned with infrastructure, economic priorities (and other priorities e.g. health, environment).
- A more **coordinated and focused approach to investment** and supporting growth, with priority given to strategic solutions, for example, transport growth corridors and new communities.
- Opportunities to **maximise investment and funding** across sub-regional areas (follow the money) – e.g. through government devolution and growth deals, government infrastructure and capacity funding bids, and making more effective/ efficient use of local infrastructure funding through pooling. Clear winners where statutory joint plans being prepared.
- Challenges around the **long term sustainable growth of cities**, particularly where the administrative boundaries are tightly bound and there is a need to rely on the support of neighbouring areas.
- Delivery of **immediate and potentially significant cost savings** as a result of a combined plan-making process (e.g. examinations; public consultation and stakeholder engagement; evidence-base) and a more efficient and effective use of staff resources and expertise.

West of England Joint Spatial Plan



<https://www.jointplanningwofe.org.uk/consult.ti>

- Bath & North East Somerset failed DtC in 2013 – recognition that ‘effective strategic planning mechanism’ was joint plan
- 4 LPAs (all UAs) working within ‘voluntary’ governance arrangements - final decision-making remains with individual LAs
- Strategic focus & planning scope – only 7 policies, key diagram with no site allocations
- Sets general extent of Green Belt and identifies areas where detailed boundary need to be reviewed to accommodate strategic growth.
- Supported by more detailed DPDs prepared in parallel (but one stage behind to reflect JSP)
- Joint transport strategy prepared alongside JSP
- Will be first to be tested at Examination this autumn (submitted to PINs in April 2018).
- First phase housing deal now agreed with Government to secure delivery of infrastructure and strategic site & includes £3m to establish strategic delivery team.

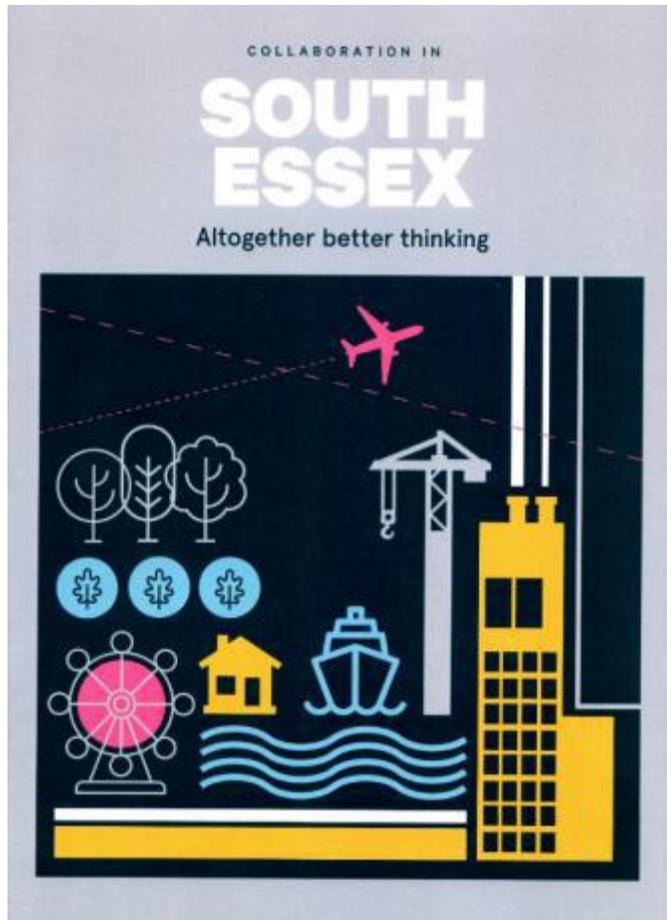
Greater Exeter Strategic Plan



<https://www.gesp.org.uk/>

- LAs agreed to set up a Greater Exeter Growth and Development Board (formally constituted) to lead on effective collaboration on economic development, strategic planning and promoting growth.
- Key part of delivering growth ambitions is preparation of GESP which aims to address key strategic issues, such as housing and employment needs, more effectively on a functional basis and provide a more co-ordinated approach to help secure government funding and investment, particularly in relation to infrastructure and large-scale developments.
- 4 LPAs and county council working within 'voluntary' governance arrangements - final decision-making remains with individual LAs
- Recently moved to joint team with officers from each working in shared office 3 days/ week – remains informal arrangement
- Three joint plans now being prepared across Devon (1 strategic and 2 detailed joint LPs).

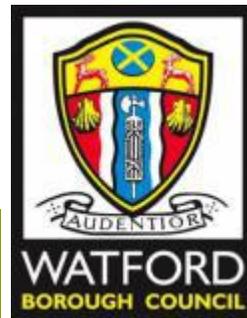
South Essex Joint Strategic Plan



<https://www.castlepoint.gov.uk/news/south-essex-councils-set-out-vision-for-regions-growth-2015/>

- Significant challenges across the area (high proportion of GB, high housing need, poor delivery – former growth area)
- Catalysts for joint working – DtC failure of Castle Point in 2017 & recognition that need to be in control of own destiny.
- 4 districts, 2 UAs and 1 county council involved in joint arrangements with decisions made by individual LPAs
- All work done on ‘South Essex’ basis with no LA boundaries.
- JSP being developed within wider ‘South Essex 2050’ place ambition developed by Leaders (supported by EELGA) through Association of South Essex Local Authorities (ASELA) - 3 main workstreams being implemented covering strategic planning (joint plan), infrastructure and local industrial strategy.
- New governance structures & working arrangements being considered based on what is needed to deliver the 2050 ambition.
- Successful bid to Government’s PDF - £900k – in February
- Current challenges around SoS intervention impacting on 3 LPs, transition management & Thames Estuary Commission suggesting significant increase in housing delivery over current target of 90k for next 20 years.
- Strategic planning coverage for all Essex now beginning to emerge but different approaches being adopted (e.g. North Essex Aligned Strategy).

South West Herts Joint Strategic Plan



- Significant challenges across the area - high proportion of GB, significant increase in OAN/LHN over previous housing targets, sandwiched between two major growth areas (North London and O-C Corridor), limited investment in strategic infrastructure
- Catalysts for joint working – DtC failure of St Albans in 2017 & recognition (in January 2018) by Leaders that ‘effective strategic planning mechanism’ was JSP & need for wider spatial canvas to address growth in largely GB area.
- 5 districts and 1 county council involved in joint arrangements supported by MoU.
- Move away from numbers game to focus on ‘place’ and what sustainable growth in SW Herts context means.
- All partners currently updating LDS, SCI and agreeing MoU
- Project Director just appointed to lead on preparation of JSP.
- About to initiate similar visioning process to South Essex with support from EELGA – this will help inform JSP strategy and wider growth ambition.
- Joint planning arrangements beginning to emerge across Hertfordshire – likely to be set within county-wide framework

Conclusions from current practice

1. JSPs are the Government's preferred strategic planning approach:

- Government's 'carrots & sticks' approach to joint planning is working with those willing to go down this route being rewarded financially e.g. PDF.
- Statutory joint planning is a pre-requisite of any potential housing deal with Government
- More general support offered from MHCLG/PINs for those preparing JSPs.

2. This is still new but practice is evolving fast:

- Only 5 groups of authorities preparing JSPs but many more thinking about it.
- Experience from structure plans & regional strategies helping inform practice.
- LPAs preparing JSPs are working together to share experience and practice.
- First real test will be West of England examination in October – concerns already raised about whether NPPF provides suitable framework for testing strategic level plans.

3. Transition is proving the most challenging aspect:

- Unless all LPs are at similar stage a pragmatic approach is needed
- Shorter LP timescales being considered to provide clear framework for first 0-10 years with more flexibility beyond that – particularly where spatial strategic is likely to be very different. Clear phasing periods are essential with more certainty in earlier phases.
- Key challenge has been moving planners away from traditional view of local planning to 'ringmaster role' of strategic planners – not helped by lack of strategic planning experience and expertise

Conclusions from current practice

4. It's not just about planning:

- JSPs are part of a wider agenda to support growth in a sustainable way by integrating long term strategic spatial, economic (industrial strategy) and infrastructure priorities.
- JSPs have to be developed within a governance structure that provides strong strategic leadership (Leaders & CXs) and cross-service input – BUT they need to understand how planning fits in to wider agenda.
- Engaging strategic stakeholders is essential e.g. LEAs, Sub-national transport bodies (& local MPs!)

5. There is no perfect strategic geography:

- Strategic geography remains a complex issue – need a pragmatic response which includes key stakeholders and strategic relationships in some form.
- Functional geography and administrative geography can both work – no 'one-size-fits-all'
- There are different strategic geographies (e.g. LEAs, county, sub-national transport bodies, JSPs) – all have a role to play but must be aligned.
- Need to be clear about what needs to be addressed at 'strategic' level as some things will still be better addressed at local level.

6. Clear governance and working arrangements are essential

- Terms of Reference will help clarify what role different groups have but need to be flexible as they will evolve
- Build on existing structures where possible but must be fit for purpose
- JSP must be seen as part of the day job by all partners or the work will not be treated as a priority
- JSP offers opportunity for sharing resources, expertise and experience in strategic planning & delivery

Conclusions from current practice

7. Flexible approach to NPPF/PPG is needed

- You can apply 5YLS and HDT across strategic planning area but be clear about the advantages and risks
- NP Act requires strategic priorities and sites to be set out in DPDs taken as a whole – key test for WoE EiP which has no site allocations
- In managing transition, shorter term approach for local plans may help as NPPF only requires deliverable sites for first 5 years (with buffers) and broad locations for later periods.
- Use all tools in the box as part of the portfolio including Brownfield Registers, AAPs (JAAPs)
- JSP should set general extent of Green Belt where sites being allocated through later local plan.

8. And the practicalities:

- Scope! Scope! Scope! Agree the JSP contents at the start – this will help focus on ‘strategic’ evidence base and avoid distractions.
- Use current examples (e.g. West of England) to explain what a JSP is - it might be helpful to prepare a ‘mock-up’ version
- Use the SoCG as your main project management tool, particularly at pre-commencement stage.
- LDS and SCI must reflect JSP (use common wording where appropriate).
- Take a borderless approach to all work related to JSP to avoid parochialism.

Conclusions from current practice

8. And the practicalities (contd):

- Make sure you have proper project management support and a clear lead officer.
- Be prepared for CXs and Leaders to get more involved in planning and ensure sufficient time spent on bringing them up to speed.
- Partnerships can be very challenging so make sure everyone is clear about what is in it for them and there is a clear and agreed work programme, MoU and ToR underpinning the work with clear roles & responsibilities.
- All LAs (including county councils) within JSP must be involved on an equal basis given wider role of JSP.
- Put in place strong risk management process and be clear who is accountable for this (e.g. Leaders).
- A robust approach to communications will help manage relationships –comms strategy is essential both for internal and external use, particularly between different officers and Members within the same organisation. A JSP website is essential!
- If JSP is related to potential deal with Government, be clear what the ask is and how much housing will be delivered as a result of it.
- You can apply 5YLS and HDT across strategic planning area but be clear about the advantages and risks
- When considering governance options (e.g. S101 committee, S29 committee) think about what you are trying to achieve and what structure will deliver this in the best way but be prepared to adapt and mature.
- Agree clear procurement protocol – some using one LA to do this and manage the budget (e.g. Devon CC for GESP) others sharing the role

Barack Obama

***Change will not come
if we wait for some
other person or some
other time***

***Coming together
is a beginning;
keeping together
is progress;
working together
is success***

Edward Everett hale

***Unity is strength... when there is
teamwork and collaboration,
wonderful things can be achieved***

Mattie Stepanek

***Never, never, never
give up!***

***We cannot direct
the wind, but we
can adjust the sails***

Dolly Parton

Sir Winston Churchill

Thank you!

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Patsy Dell, Oxford City Council

Experience from Oxfordshire

Oxfordshire Growth Board (OGB)

The Oxfordshire Growth Board is a joint committee of the six local authorities, together with key strategic partners - including Oxfordshire's two universities and OxLEP, which was set up to both oversee the delivery of the commitments in the City deal but to also take a wider remit and to facilitate and enable joint working on economic development, strategic planning and growth, including housing.

Oxfordshire Growth Board (OGB)

Joint working in Oxfordshire on:

- Strategic Economic Plans 1 & 2
- Oxfordshire SHMA set target of 100,000 homes and 87,000 jobs to 2031
- Technical work supported working assumption of 15,000 homes comprising Oxfor's 'un-met' need
- September 2016 apportionment of need agreed by OGB and this forms basis for common suite of local plans across Oxfordshire
- Commissioning OxIS
- Securing the Oxfordshire Housing and Growth Deal 2017



Oxfordshire Housing and Growth Deal 2017



Benefits for Oxfordshire:

- Funding to accelerate the delivery of 6,000 new homes
- Funding for the delivery of 1300 additional affordable homes
- Funding to help deliver the Joint Statutory Spatial Plan JSSP (to be submitted by March 2020)
- Support for Oxfordshire Local Industrial Strategy and productivity improvements

Deal Components:

- £150m Infrastructure Funding
- £60m Affordable Housing Funding
- £5m Capacity funding including £2.5m for the JSSP
- Planning freedoms and flexibilities

Scope of the Oxfordshire JSSP

Key matters

- An overall strategy for the pattern and scale of development in Oxfordshire to 2050
- Identify the number of new market and affordable homes and level of economic growth needed across Oxfordshire.
- Identify an appropriate spatial strategy and strategic locations for new development based upon an understanding and appreciation of both the environmental quality and natural capital of Oxfordshire.
- Outline the strategic transport and other infrastructure that needs to be provided to support sustainable growth.

Oxfordshire Joint Statutory Spatial Plan

The milestones for the JSSP are as follows:

- Joint Project Board established under Section 28 – July 2018
- Early Stakeholder Engagement - September 2018
- **Consultation** on Preferred Strategy Options (Reg. 18) - February / March 2019
- **Consultation** on Proposed Submission Draft Plan (Reg. 19) - October / November 2019
- **Submission** to the SoS for examination - March 2020
- **Examination** - Expected September 2020 TBC
- **Receipt and Publication** of Inspector's Report - December 2020
- **Adoption** - March 2021 (subject to examination)

Oxfordshire Joint Statutory Spatial Plan Draft Statement of Common Ground

It is necessary to prepare a Statement of Common Ground to:

- a) demonstrate that effective joint working has taken place between parties on strategic cross boundary issues, as required by the NPPF tests of soundness.
- b) increase certainty and transparency, early in the plan-making process, as to where effective co-operation is required.
- c) encourage all Oxfordshire Planning Authorities, regardless of their stage in plan-making, to co-operate effectively and seek agreement on strategic cross-boundary issues, including planning for Oxfordshire's housing need.
- d) help local planning authorities demonstrate evidence of co-operation by setting clearer and more consistent expectations as to how co-operation in plan-making should be approached and documented.



Oxfordshire Joint Statutory Spatial Plan

Preparation of our Draft Statement of Common Ground 2



- Content informed by the (March 2018 consultation version) NPPF including:
 - Governance, scope, engagement, timescales, development plan approach, monitoring etc
- Support from PAS via scoping workshop and critical friend roles
- Dynamic document, prepared to change and update over time
- Agreed with MHCLG March 2018
- Believed to be first of new variant SoCG to be prepared in England

Oxfordshire Joint Statutory Spatial Plan Draft Statement of Common Ground 3

Core Principles - The Parties agree on the following matters relevant to the preparation of the JSSP:

- a) There is a commitment to plan for 100,000 homes up until 2031
- b) The current round of Local Plans will be submitted by April 2019.
- c) The geographical coverage of the JSSP will be housing market and functional economic area of Oxfordshire.
- d) Individual Local Plans and the JSSP will take account of the emerging Local Industrial Strategy, the Environmental Investment and any updates to the Local Transport Plans for Oxfordshire.
- e) The JSSP will determine the likely scale of housing need to be planned for up to 2050, including the need for affordable housing, recognising that there will be greater certainty for the early years of the JSSP.

Lunch - back at 14.00

After Lunch - Speed dating session:

- New Peers: Steve – in the bar
 - Housing Delivery Test: Richard – main hall
 - Avoiding Designation: Martin - Willow
 - Plan Making: Anna - Sycamore
-

New Peers

- [no slides were used for this discussion]



Housing delivery test (HDT)

- This session
 1. Overview / timeline
 2. Your results (ish)
 3. So what ?
 4. Action Plan - what does that mean ?
-

Overview

- HDT is new for 2018
 - Find it in NPPF, NPPG and HDT rulebook
 - Simple in purpose, complex in execution
 - Viability < CIL < **HDT** < 5 yr LS
 - If it matters, get a “delivery” person
 - they can geek out
 - check your inputs (HFR etc)
 - do your forecasts (they matter !)
-

Overview

- HDT starts in November 2018
 - Immediate effect
 - action plan, buffers, presumption
 - 6 months to complete (publish) action plan
 - May 2019
 - Annual cycle thereafter
 - combine with ...
 - Annual Monitoring Report
 - Land supply statement
-

Overview

- Are you delivering enough homes ?
 - homes delivered / homes required = %
 - > 95% = pass
 - < 95% = action plan
 - < 85% = action plan + 20% buffer
 - < XX% = action plan + 20% buffer +
presumption
 - stepped target 25% -> 45% -> 75%
 - this is why forecasts matter so much
-

Overview

- HDT is fed by national statistics
 - some / all of
 - LHN (affordability, household projections)
 - Dwelling stock data (HFR)
 - National indices (students & communal)
 - And your inputs
 - Plan age, housing requirement, neighbour's need
 - In October you will be asked for your data
 - In November the lever is pulled & results pop out
-

Overview

- It looks backwards three years
 - For each year ...
 - was your plan less than 5 ?
 - did you adopt a new plan ?
 - Note also transitional arrangements
 - No retrospective LHN
 - And London Boroughs
 - London Plan targets apply only when your plan is more than 5 years old
-

Your results (ish)

- Excludes communal – an underestimate !!
 - Quick notes for geeks:
 - transitional arrangements clarified as using 10 year average from popn predictions (two of them)
 - I still use the old plan information from the HWP
 - The final year of delivery is estimated as the average of the two preceding years
 - Otherwise much the same
 - same %ages. Same consequences. Same timetable.
-

Your results (ish)

- Hand out



So what ?

- HDT ratchet tightens quite quickly
 - Development is a slow process
 - Annual “league table” of percentages
 - the “do nothing” option leads to things seemingly getting worse
 - because of tightening targets and transition to LHN
 - How do you do news management of this ?
-

So what ?

- Strong incentive to get a plan in place and keep it under 5 (or formally reviewed)
 - Appearance of a performance management regime
 - but compared to LHN ?
-

Delivery test -> Action Plan

- What does this process feel like ?
 - What does the output look like ?

 - Here is Milton Keynes ...
-

Avoiding Designation



What we'll cover

- Reminder, re-cap
- Understanding the measurement process
- Managing performance
- How do you measure performance?
- How do you manage performance?
- Failure – what happens if we fail?
- Performance – tools to help manage performance

No one understands the quality measure...

The sacred texts

GOV.UK

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Statistical data set
Live tables on planning application statistics

From: Department for Communities and Local Government
Part of: Planning applications statistics
Published: 10 November 2012
Last updated: 10 August 2017 (see all updates)

Table P151a: District planning authorities' performance - speed of major development decisions
England, April 2015 to March 2017 *

Planning authority	ONS Code	April to June 2016					July to September 2016				
		Major decisions within 13 weeks ¹	PPA, EOT or DA decisions ²	PPA, EOT or DA decisions within agreed time	Inquired live/No. times	Major decisions	Major decisions within 13 weeks ¹	PPA, EOT or DA decisions ²	PPA, EOT or DA decisions within agreed time	Inquired live/No. times	
Yorkshire Dales National Park	E2000010	0	0	0	0	2	0	2	2	2	
Exmoor National Park	E2000002	1	0	1	1	2	2	0	0	0	
Peak District National Park	E2000006	0	0	0	0	0	0	0	0	0	
Gedling	E0700073	2	0	2	2	9	6	2	2	2	
Three Rivers	E0700002	2	1	1	1	3	3	0	0	0	
Rotherham	E0800018	9	5	4	4	13	6	7	7	7	
Blury	E0800002	1	0	1	1	11	4	7	7	7	
Coventry	E0800026	15	10	2	2	10	8	2	2	2	
Sedgemoor	E0700188	14	8	6	6	13	8	5	5	5	
Adur	E0700223	4	1	3	3	3	3	0	0	0	
Haringey	E0800016	4	2	2	2	4	2	2	2	2	
Kingston upon Thames	E0900001	3	2	1	1	6	1	5	5	5	

Explanatory Notes Table P151a Table P151b

Department for Communities and Local Government

Draft to lie for forty days, during which period either House of Parliament may resolve that the criteria for designation should not be approved.

Improving planning performance

Criteria for designation (revised 2016)

November 2016
Department for Communities and Local Government

The Planning Inspectorate

Planning Applications Process: Section 62A Authorities in Special Measures

Procedural guidance for applicants, designated authorities, and interested parties

January 2017

Understand the measures

- Councils assessed separately against **‘speed’** & **‘quality’**
 - Speed = within 8 weeks (Non-Majors)
 - Speed = within 13 weeks (Majors)
 - Quality = appeals lost as a %age of total decisions (Majors, Non Majors)
 - Majors = district and county matters
-

Understand the measures

Performance thresholds (see table)

- Assessment period: 1st Oct 18 – Sept 18
- Calculation:
 - %age of time spent in target time
- Speed and quality are measured over different time periods...
 - anything less than 70%
 - anything less than 60%

Speed and quality are measured over different time periods...

Managing performance (Speed)

Don't rely on the published statistics – they are too old to be useful !!!!

- Backwards look
 - At least 3 months old
 - Look back over a rolling 2 year period, *not* the period you are being judged on
 - If you are not paying attention, it can be too late once you're nabbed.
-

Managing performance (Speed)

Use: PAS 'Crystal Balls'

- Quarter-by-quarter tracking
 - Do you have a cushion (how plump is it?)
 - Do you have a gap (how far to jump?)
 - 2 poor quarters can be the end of you
 - Forces you to pay attention
-

Crystal Ball Demo



Understand the measures

Performance threshold (Quality)

appeals lost
(e.g. 6)

total applications decided
(e.g. 50)

= 12% (over 10% = designation)

Understand the measures

Performance threshold (Quality)

Sum - the denominator

- Assessment period 1st April 2016 to 31st March 2018. **It's over!**
 - All applications decided, plus non-det appeals = 'total applications decided'.
-

Understand the measures

Performance threshold (Quality)

Sum - the numerator

- Dec 2018 (i.e. 9 month 'lag' for appeals to go through the process/system).
 - No. overturns on appeals on applications decided during the assessment period.
 - No. appeals made/allowed doesn't come into the equation – it is the number overturned as a percentage of the overall number of decisions.
-

Managing performance (Quality)

- Crystal ball (now for next year)

Criteria: Quality

Council: xx

District matter Majors

		All Major Decision	Refusals	Appeals	Dismissed	Appeals allowed	Pending	Result
Quarter 01	Apr - Jun 2017	16	3	2	0	2		12.50%
Quarter 02	Jul - Sep 2017	11	0	0	0	0		0.00%
Quarter 03	Oct - Dec 2017	14	3	2	1	1		7.14%
Quarter 04	Jan - Mar 2018	12	2	1	0	1		8.33%
Quarter 05	Apr - Jun 2018	14	3	2	1	1	2	7.14%
Quarter 06	Jul - Sep 2018							
Quarter 07	Oct - Dec 2018							
Quarter 08	Jan - Mar 2019							
total		67	11	7	2	5	0	7.46%

Maximum level required

10.00%

Managing performance (Quality)

- Come March 2019 you'll know how many majors decided in the assessment period
 - You'll know the refusals / likelihood of appeals / confidence factor
 - Put this together and you'll have a good feel for what your risk is come December 2019.
-

What happens & when?

- Councils at risk notified in December
 - Contacted again in January and given 'at least' 2 weeks to 'respond'
 - Designations made in March
-

Council 'response'

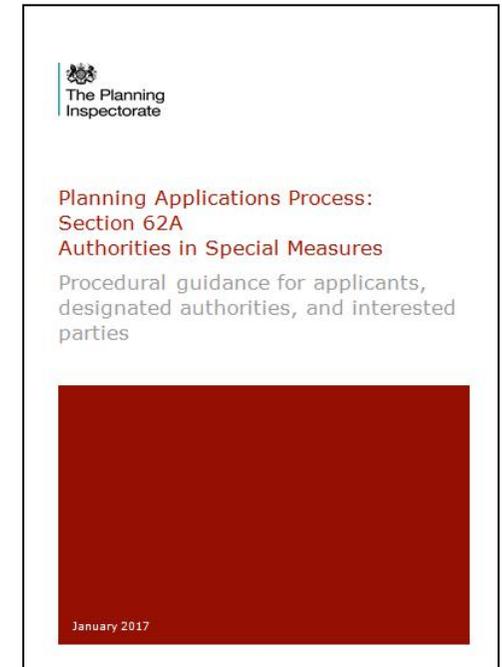
- provide evidence to correct data errors
 - set out exceptional circumstances that:
 - affects the reasonableness of the conclusions drawn from the data
 - performance impacted for reasons that were beyond council's control
 - The Secretary of State may also consider any exceptional circumstances which in his opinion would make a designation unreasonable e.g. local plan intervention
-

What does designation mean?

- Applicants can choose to make their application to the Secretary of State (via PINS)
 - Certain application types excluded e.g. householders, prior approvals
 - Applicant has no right to appeal (only JR)
-

PINS / Council – main points

- PINS process, councils provide local plan & procedural information & are a ‘consultee’
 - PINS do pre-app, PPA, EoT, validate, site visit
 - PINS do statutory consultation, council does notifications & non-stat consultation
 - PINS issue decision
 - Council monitors implementation
 - Major / ‘contentious’ development will involve a Section 62A hearing
-



Which councils are designated?

- There are currently no councils designated
 - Previous designations:
 - **Blaby** (designated Nov 2013, de-designated Oct 2014)
 - **Bromsgrove** (designated December 2014, de-designated Feb 2016)
 - **Trafford** (county matters) designated May 2014, de-designated October 2014)
-

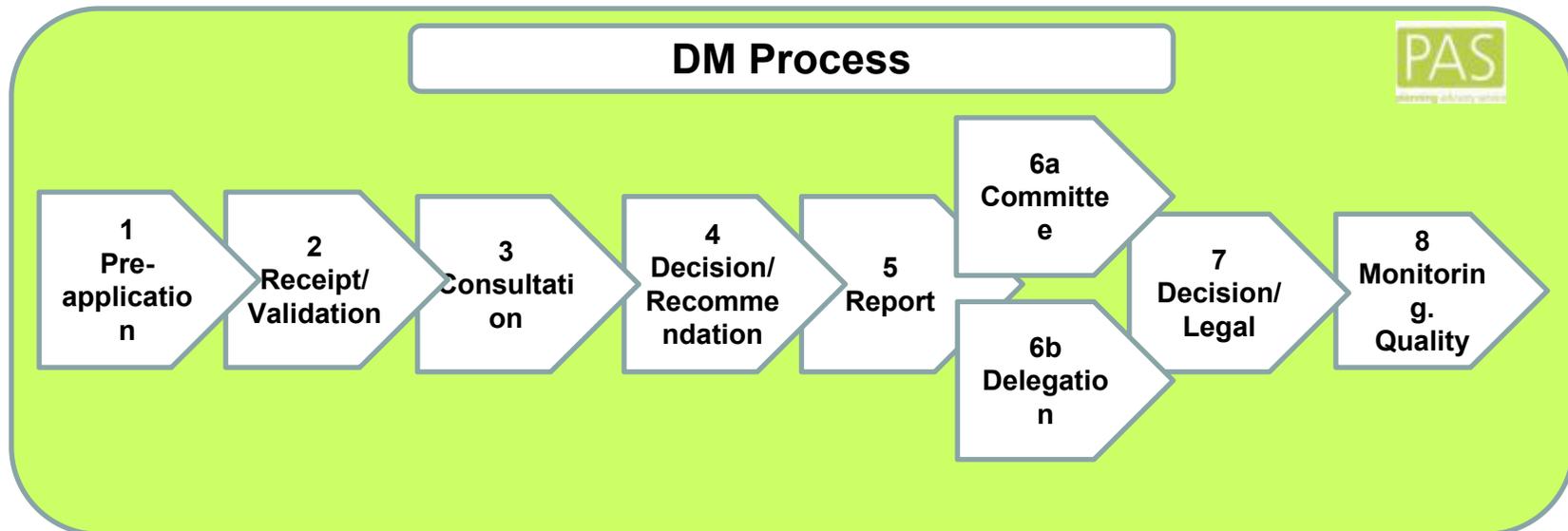
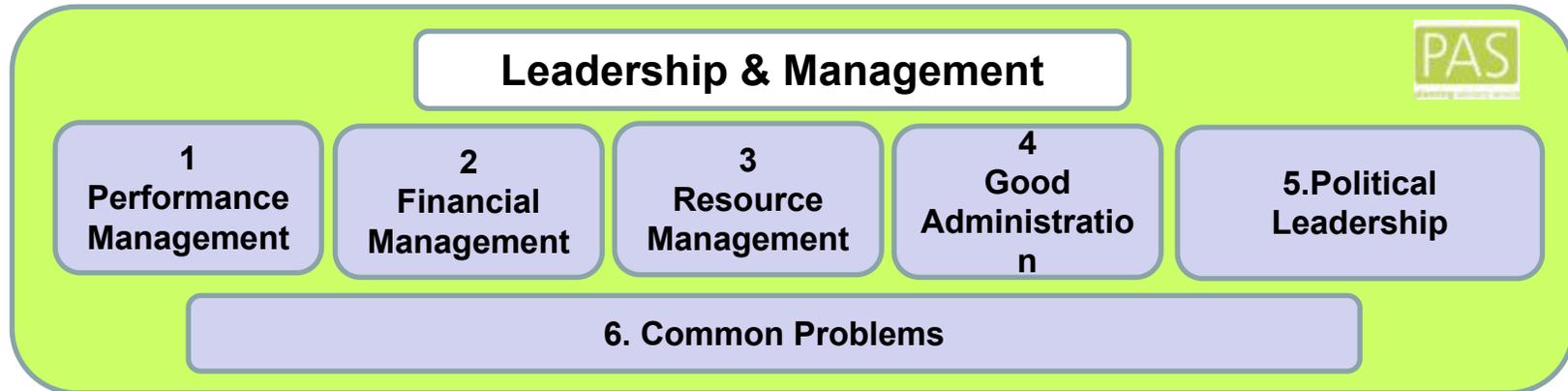
Common issues

- Eye off the ball
 - Your PS1/2 returns are wrong!
 - Focus on right decision, not quick decision
 - Not managing performance
 - 'Sleep walk' - notice issues too late
 - Not using tools or talking to PAS
 - Quality – still not understood/recent issue
-

PAS Support

- We monitor performance quarter by quarter
 - We talk to your heads of planning
 - ‘Crystal Balls’ - shows the cushion you have / gap you need to close
 - Audit your numbers, help with your ‘response’
 - Speed –DM Challenge
 - Quality – Committee Peer Challenge
-

PAS 'DM Challenge' toolkit



How it works

- DM Challenge Service Review Guide
- Structured: Leadership & Management, DM Process
- Structured: good practice ideas, series of questions and challenges
- *Councils to do the thinking themselves*
- Crib Sheet - capture thoughts, ideas, and questions

Move away from big process re-engineering consultancy projects...

...towards



- Identify key issues affecting performance
- Deliver on-site support with customer teams
- Focus on *immediate* actions for improvement



PAS Support - Committee Review

Objectives:

- Purpose – understood?
 - Format and process – call-in, delegation, structure, size, voting, reports etc.
 - The ‘customer’ experience – what’s happening? Representations? Engagement?
 - Roles and responsibilities – relationships, support,
 - Quality and improvement – training, monitoring
-

PAS Support - Committee Review

- Review procedures, practise and protocols
 - Attend, as observers, two planning committees
 - Interview a sample of committee members attending officers etc
 - Speak to a regular committee user/observer e.g. community group/parish council; regular applicant.
-

How committees can help

- Focus on role; e.g. strategic leadership, good decision-making, efficiency
 - Delegation; committee does what it does best, design-out unnecessary work, cost and delay
 - Call-in; be clear, be strict, be disciplined
 - Overturns – be bold & be sure of your ground; one or two appeals lost can seriously hurt where overall numbers are low
-

What we've learned

- Improvement is **not** a project
 - Performance management: councils doing good things:
 - understand what they're trying to achieve
 - always ask 'why' before 'what' and 'how'
 - empower staff
 - **part of the day job**
 - Don't blindly follow **good practise**. With strong principles – the 'practise' is incidental. Create your own 'good practise'.
-

Plan-making



Preparation and review

- Requirement for succinct and up-to-date plans
 - Preparation and review of all policies should be underpinned by relevant and up-to-date proportionate evidence.
 - NPPF requires reviews of plans to be completed no later than five years from the adoption date of a plan
-

Plan review - Why bother?

- NPPF requirement to review is a **material consideration**
 - Reviews to take account of:
 - **Changing circumstances** affecting the area; or
 - Any relevant **changes in national policy**
 - This includes significant changes to an areas **local housing need figure**
 - Where there are no circumstantial changes a review could determine that the plan remains **up-to-date**
-

Plan review and update - When?

- Review to be completed within 5 years of adoption of local plan
 - Strategic policies to be updated at least once every five years if their applicable local housing need figure has changed significantly
 - Likely to require earlier review if local housing need is expected to change significantly in the near future
-

What about transitional arrangements?

- Revised NPPF policies **now** material considerations
 - Policies in the 2012 NPPF still apply to examining plans **submitted on or before 24 January 2019**
 - The Housing Delivery Test will apply from **November 2018**.
-

What does this mean for authorities?

- Should **all** authorities who are expecting housing need to significantly change be undertaking an early review straight away regardless of the age of their plan?
 - Does this include those who will submit for examination before 24th January 2019? Should they immediately review post adoption?
 - Does the outcome of a review render your plan no longer up-to-date? Especially where it highlights strategic policies need to change – but don't you still have 5 years from adoption to update?
 - What is the threat of challenge?
 - **WHAT DOES THIS MEAN FOR YOUR TIMETABLE?**
-

Coffee - back at 16:00 ?

- Unfinished business ?
 - Put in the comments part of your feedback form
 - Keep your brain switched on !
-

MILTON KEYNES

How will the NPPF work for us?

Milton Keynes

- Utopia?
- What's important to us
- Our ambitions for growth
- Challenges we face and does the NPPF sort these for us?

Utopia!

What's important to us?

- Attractive place to live
- Easy to access with good transport system
- Green and pleasant places
- Place making at its heart
- Infrastructure ahead of development
- Proud of the success of our 'New Town'

Our ambitions for growth

- Current population to double in next 30 years
- Space to do it and a Leader that wants to!
- Infrastructure to be delivered early on
- Great vision for the future
- Communities engaging in Neighbourhood Planning

Challenges we face

- Housing delivery required to meet our ambition and need
- Infrastructure delivery
- Changes in the retail market
- Managing expectations – we cannot apply the New Town principles in the future
- Ageing together



Speeding Up Delivery

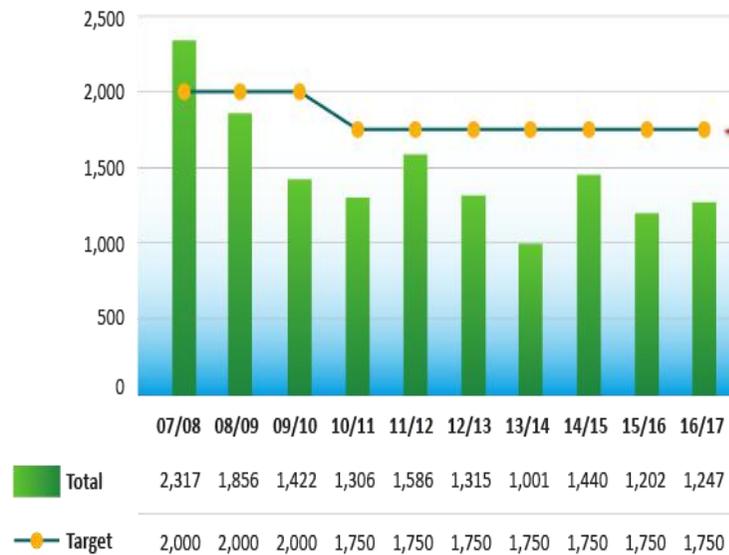
Approach to the new HDT and Action Planning

Housing Delivery Issues for Milton Keynes



Housing Delivery Issues in Milton Keynes

**Table 1: Total Housing Completions in Milton Keynes
Last 10 Financial Years**



Under Delivery

Milton Keynes has failed to match the projected delivery rates in the Local Plan, Core Strategy, and the annual housing trajectory resulting in 'under delivery' from 2010 to date.

Housing Delivery Issues in Milton Keynes

Table 1: Total Housing Completions in Milton Keynes
Last 10 Financial Years



Against the new Delivery Test MK's anticipated delivery rate is at **74% - 26% below target.**

Within this there is a **shortfall of 41%** against the **affordable housing target.**

Housing Delivery Issues in Milton Keynes

The scale of under delivery in Milton Keynes will mean direct intervention from Government as we have fallen below the 85% target.

Government will therefore expect an action plan setting out our understanding of the key reasons for the situation and actions to remedy the under delivery.



Housing Delivery Issues in Milton Keynes



We undertook an assessment looking at different types of planning permissions, allocations, site specifics, landowners and housebuilders to try to unlock and understand the differences.

16,035

Planning permissions extant

8,450

Of these, permissions implemented

47%

Planning permissions not built

5,655

Full
permissions

10,380

Outline
permissions

65%

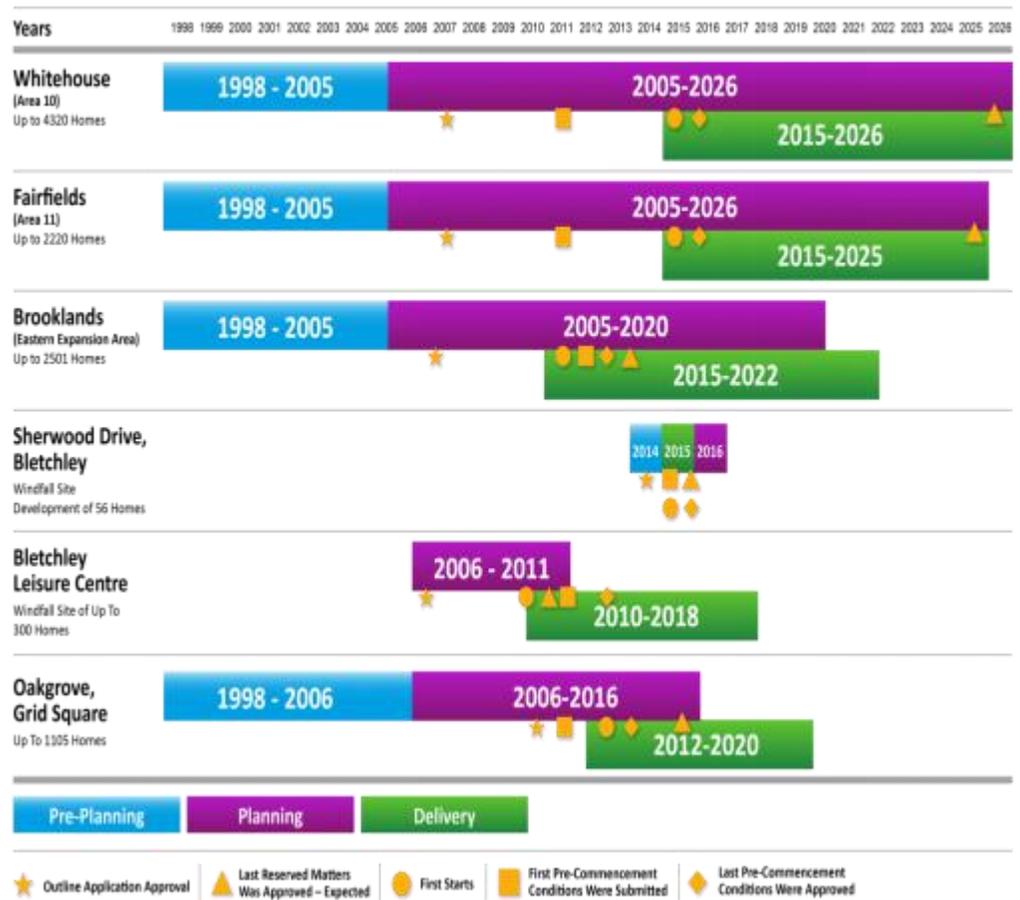
Have outline
permission



- Fewer market players.
- Reliance on larger sites which have a greater lead in time to provide strategic scale infrastructure.
- Large sites have more onerous 'pre-delivery' planning requirements.

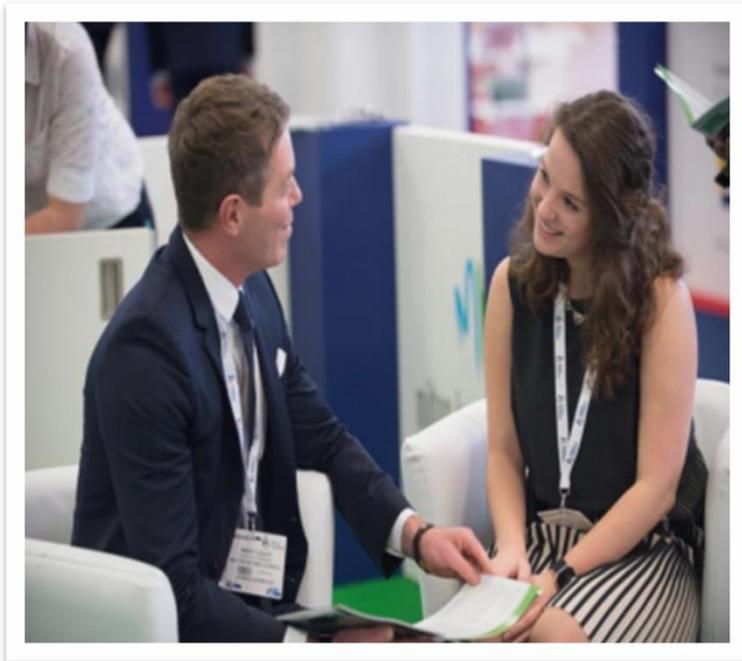
- The delivery 'pipeline' for these large sites is long (up to 30 years on the largest sites).

Housing Delivery Data



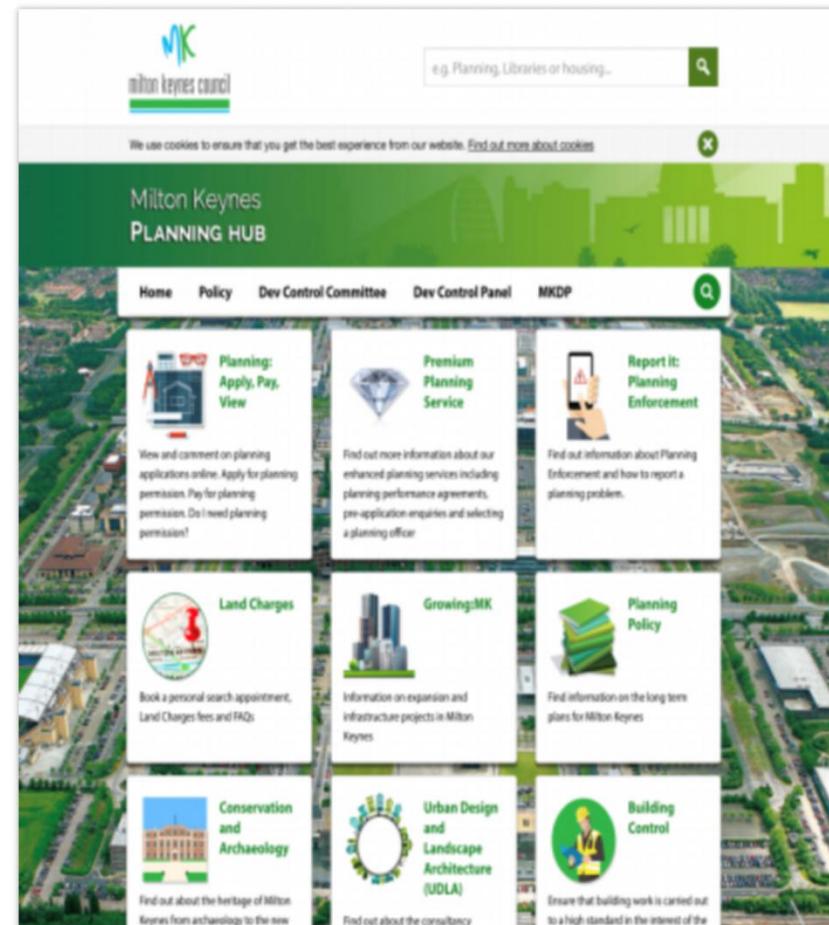
Short Term





- Develop a model to CPO suitable sites (such as sites in the 'Brownfield Register') and work with development partners to deliver these.
- Homes 2017 event to reach out to new players.

- Smarter ways of working to attract and support housing investment such as the Planning Hub.





- The Planning Service can use 'Planning Performance Agreements' to share information and help streamline its own processes.

Medium Term

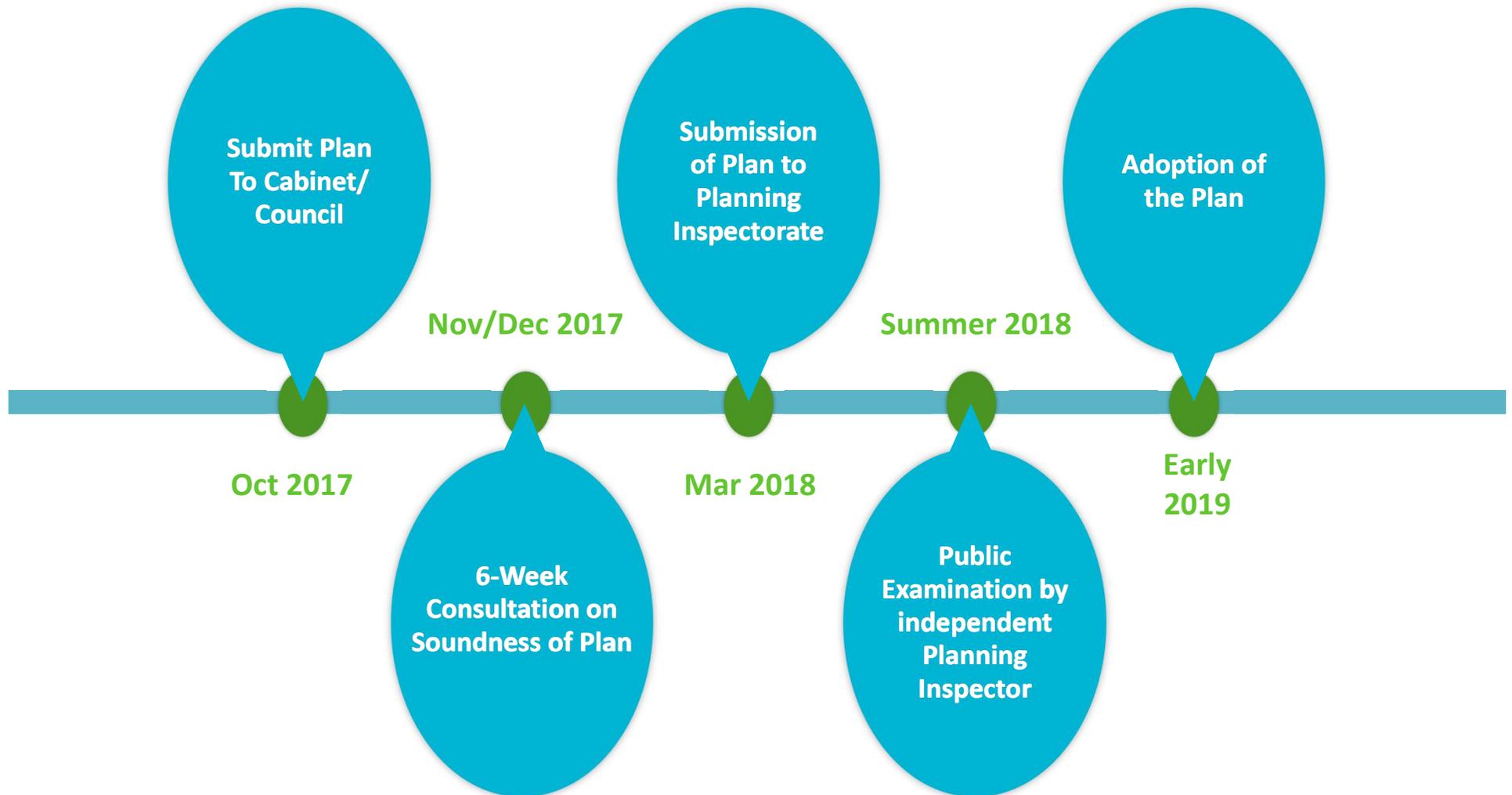




12%
Buffer

- Plan:MK. Fast Tracked and 12% buffer. 20% of the housing supply on small sites, in order to speed up delivery and diversify the market.

Medium Term



Long Term





- Develop a cross-party agreement on the delivery of new homes.
- Develop a comprehensive action plan.

LICHFIELDS



NPPF 2.0

What will feel different in 2020?

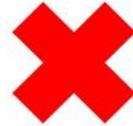
Matthew Spry

 @mspry_

26th July 2018

My exam question for today

What does the new NPPF say?



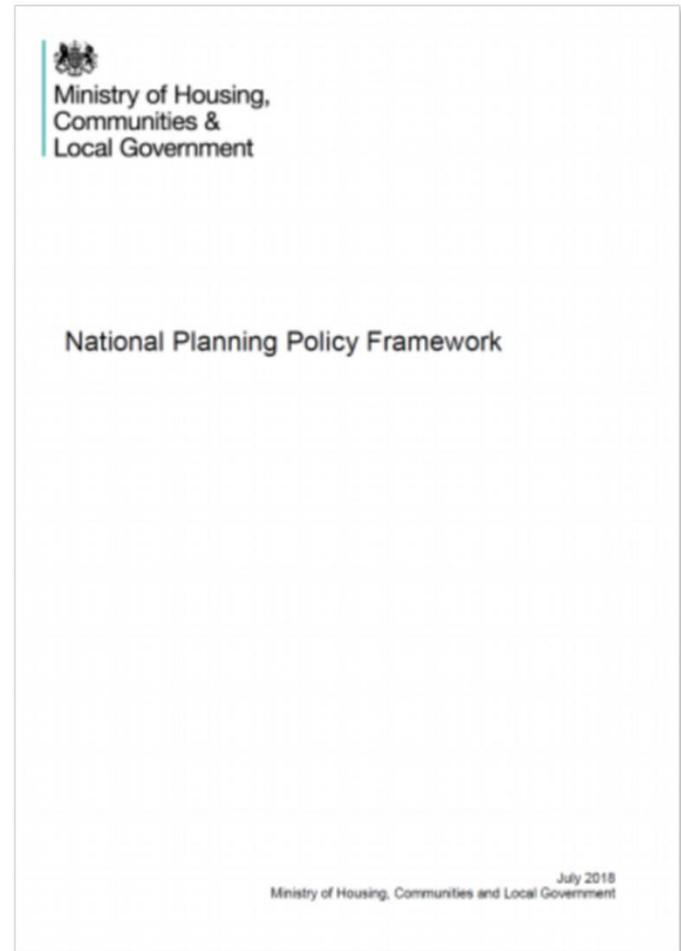
What do I agree or disagree with?



What will 'feel' different in 2020?



- What kinds of issues/debates will dominate?
- What should be on our radar?
- What might we want to do to prepare?



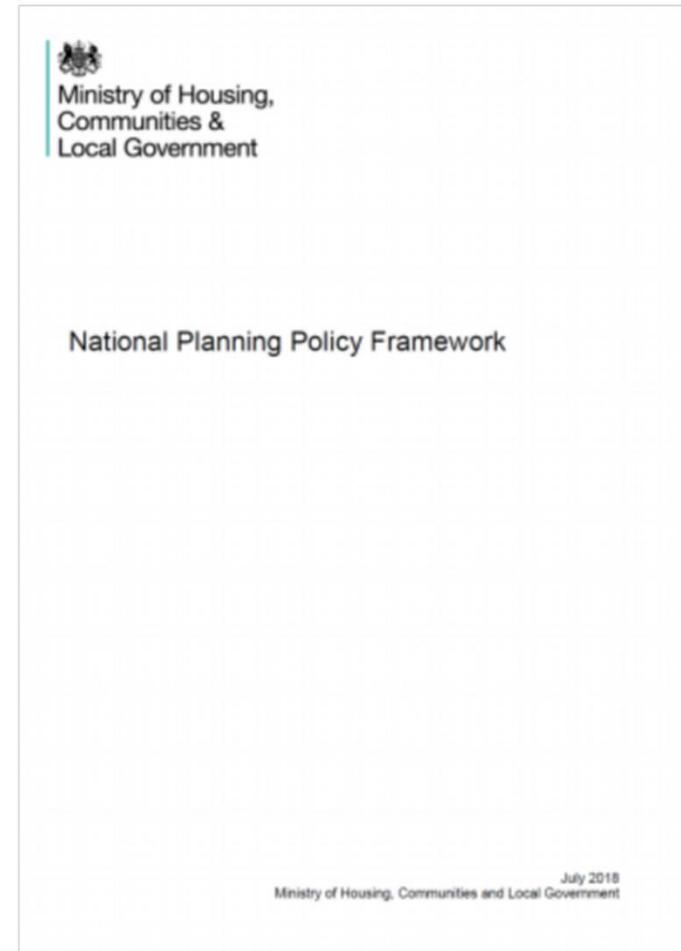
A new framework

Blasts from the past

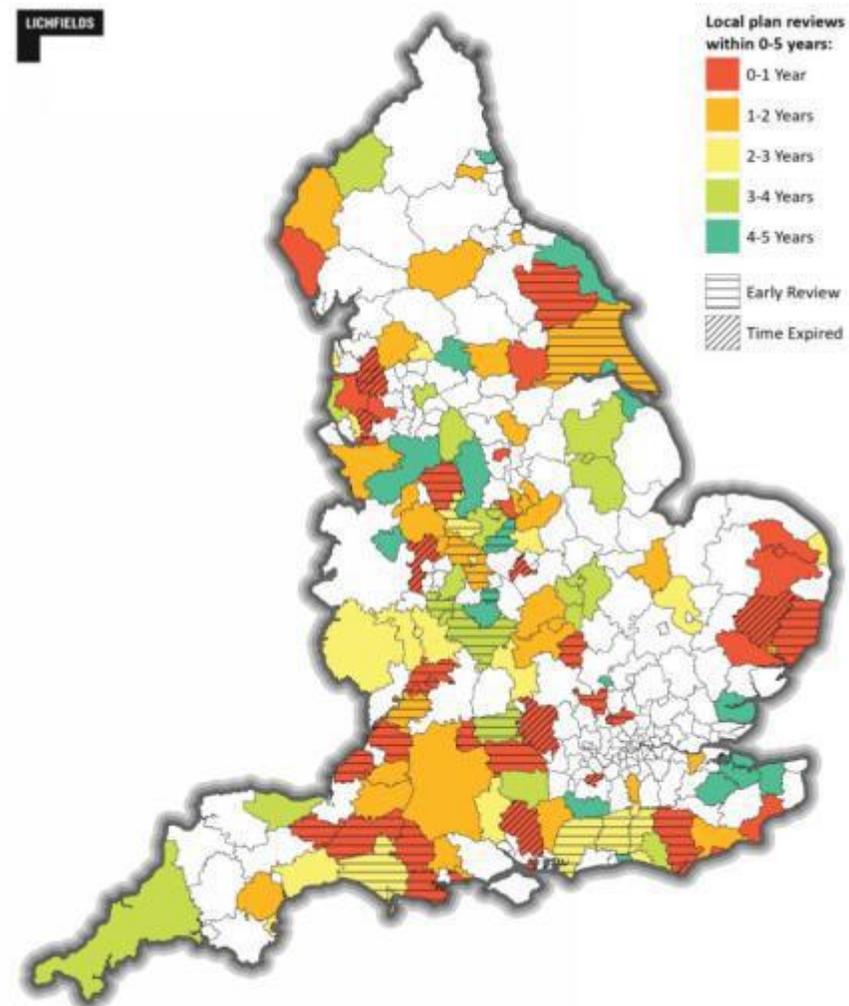
Known unknowns

Ongoing challenges, with a twist

The new arms races



Reviewing Local (strategic?) Plans



Dealing with new OAN figures

OAN: The standard method

Intended to simplify housing needs assessments

Household projections + fixed % uplift for affordability

In September 2017 yielded 266,000 dpa nationally

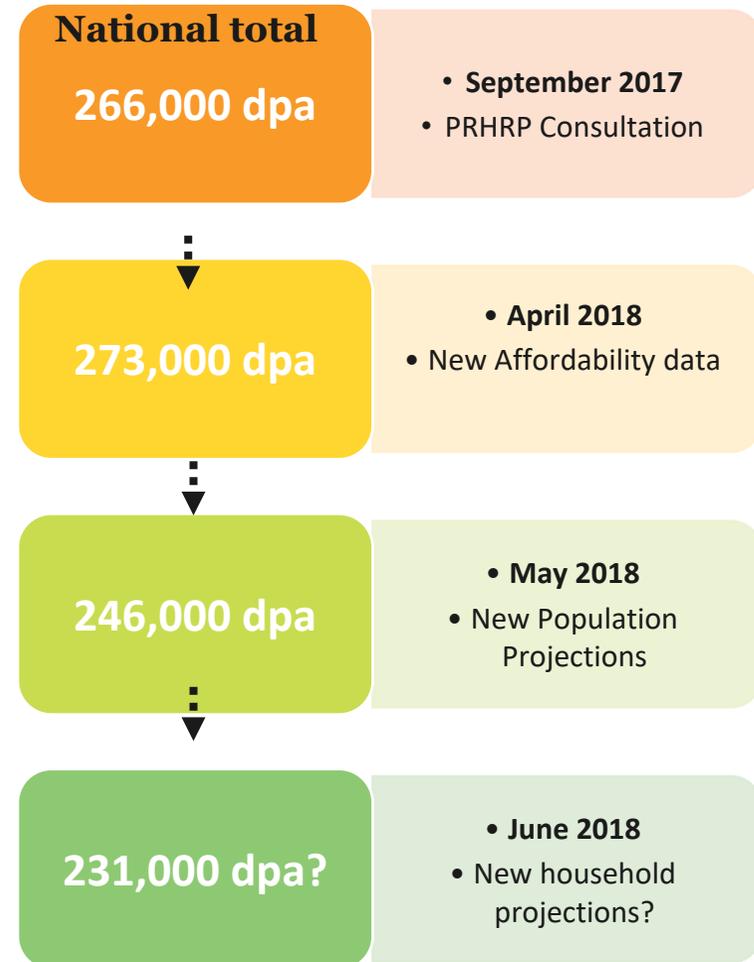
- With uplift in some areas 300,000 dpa potentially achievable

New population projections much lower than previously

Household projections (Sep 2018) also expected to be much lower

Method could yield just **230,000 dpa**

Govt will review and consult on standard method later this year

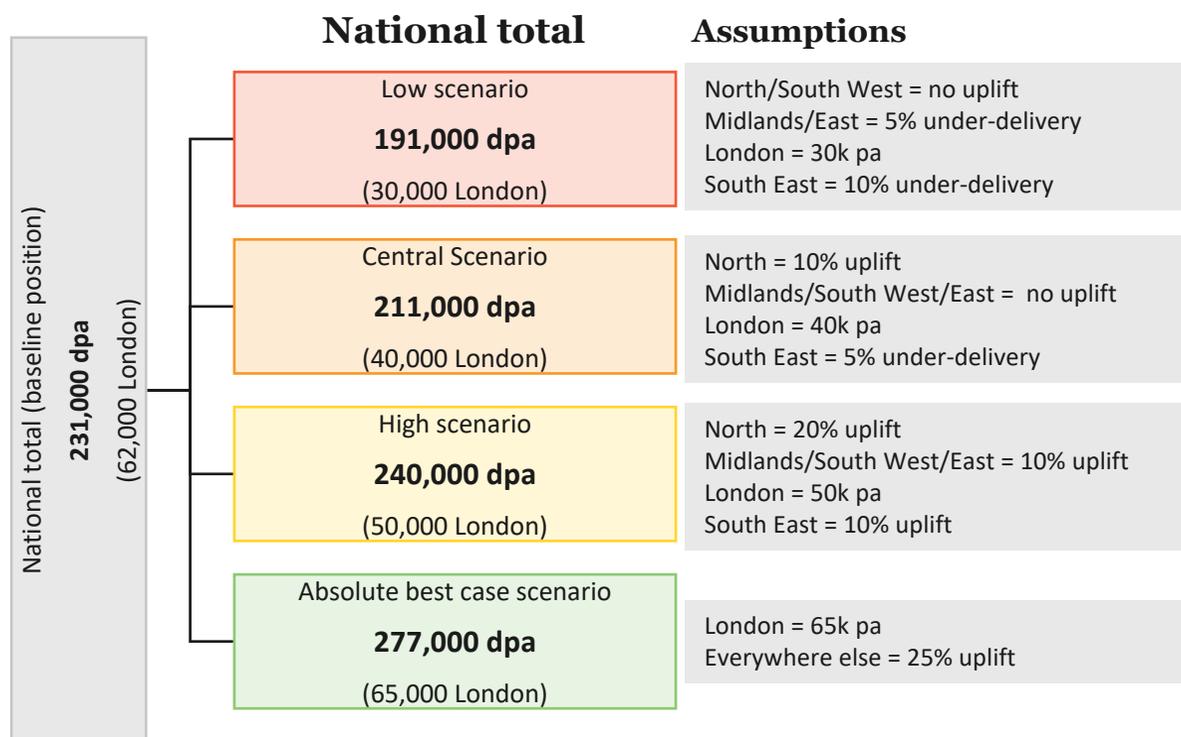


OAN: Falling short of 300K pa?

Constraints and opportunities mean standard method could yield anything from 191,000 to 277,000 dpa

National outcomes affected by delivery in London – accounting for up to 1/5th of national total

Big drops in Ca-MK-Ox corridor (17k cf 30K NIC) / Thames Estuary (24 cf 31K GC)



OAN: An alternative approach?

Standard method relies on household projections as starting point

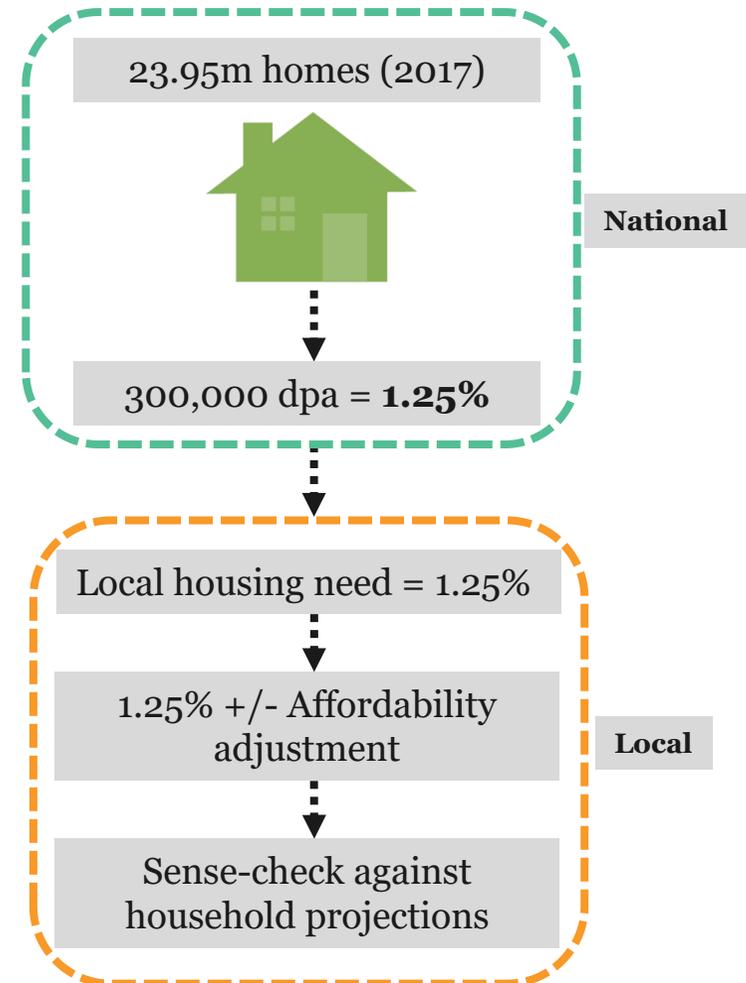
Are these always appropriate?

- Underlying demographics (e.g. birth/death rates, data anomalies)
- Migration affected by recent events (e.g. low housebuilding) – potential for downward cycle?
- Are formation rates unconstrained or is suppression being built in?

Alternative approach based on stock growth rates

Would remove reliance on demographic projections and remove risk of recent trends impacting future needs assessments

‘Fair share’ approach? ‘Top-down’ (NHPAU anyone?)



Neighbourhood Plan Reviews?

542

Neighbourhood Plans have been 'made', with a further 1,969 areas designated. 2 in 5 Local Authorities now contain a 'made' plan

35%

of Neighbourhood Plans are in the 20% least deprived areas. Just 4% are in the most deprived

55%

of Neighbourhood Plans came forward ahead of Local Plans

40%

of made Neighbourhood Plans contain a housing target and/or make allocations

15

the number of Neighbourhood Plans out of 330 reviewed that proposed more housing than the Local Plan for those areas

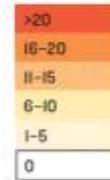
3%

the amount by which these 15 are boosting planned numbers compared to Local Plans

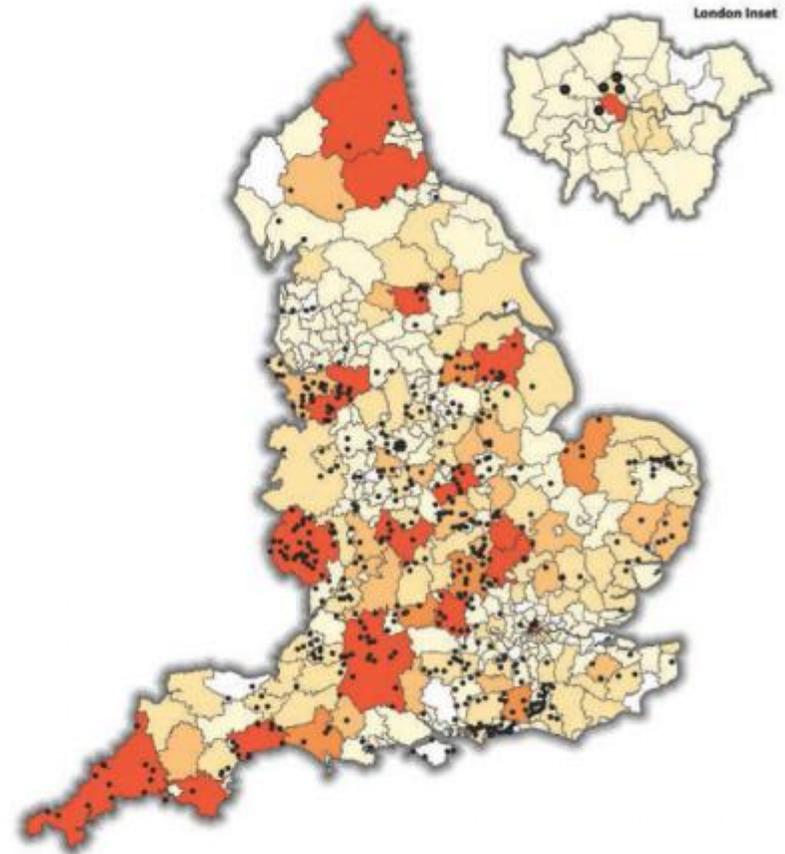
0.8%

the rate of housing growth across all Neighbourhood Plans, compared to the 1.1% required nationally to meet needs

Designated Neighbourhood Plan Areas by Local Authority

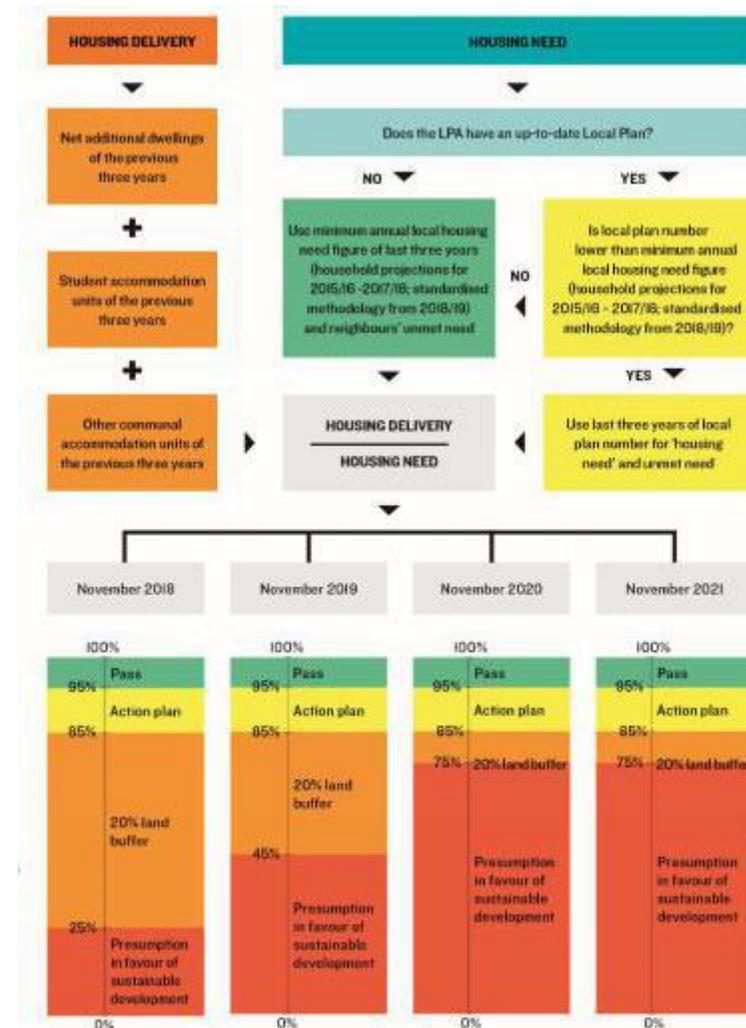


● Neighbourhood Plan



Source: Lichfields analysis/LPA Websites/Planning Magazine/Forum for Neighbourhood Planning

Fearing the Housing Delivery Test?



Source: MHCLG/Lichfields

HDT: bark worse than its bite?

If completions carried on in line with recent trends, 38% of LPAs in England would fail HDT by 2021

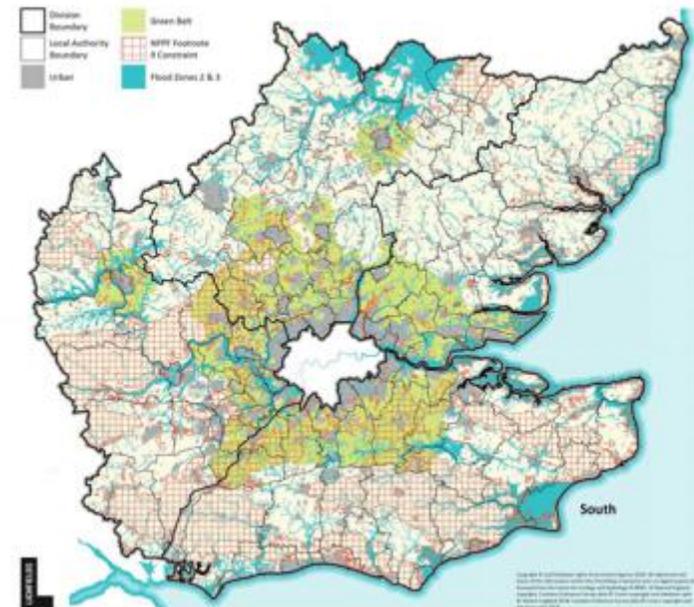
- Across South East this would be 61%

But, review of housing trajectories of 108 LPAs in wider South East shows:

- By 2021, estimated **21 LPAs fail** HDT – presumption applies (19%)
- BUT **19** of these LPAs **are constrained** (Green Belt, Footnote 6, Urban)

Suggests LPA trajectories expect increased rates of housebuilding

Almost all LPAs likely to fail are constrained by footnote 6 (formerly footnote 9)



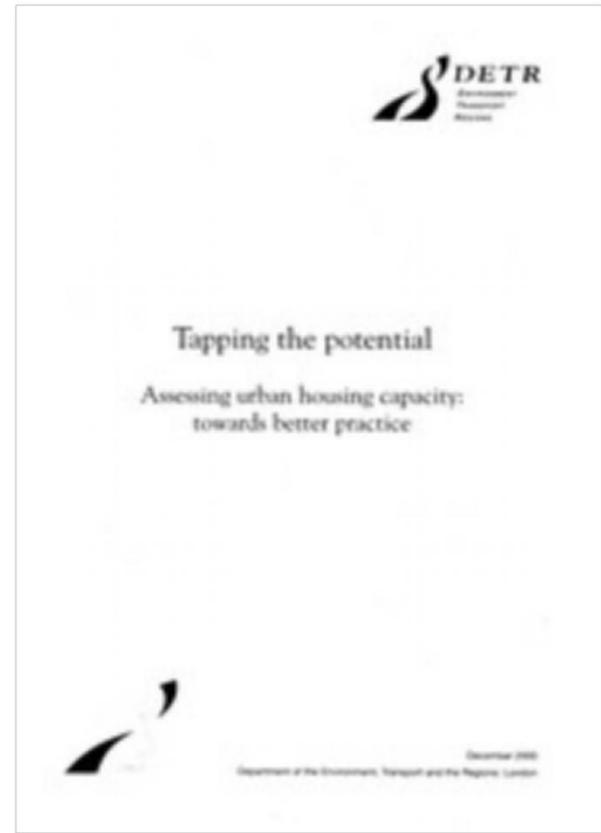
Heightened focus on deliverability

- New APS to ‘fix’ 5YHLS with 10% buffer – take-up?

“Deliverable: To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. Sites that are not major development, and sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (e.g. they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). Sites with outline planning permission, permission in principle, allocated in the development plan or identified on a brownfield register should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.”

- Trajectory / infrastructure / funding

Small sites / urban capacity / density



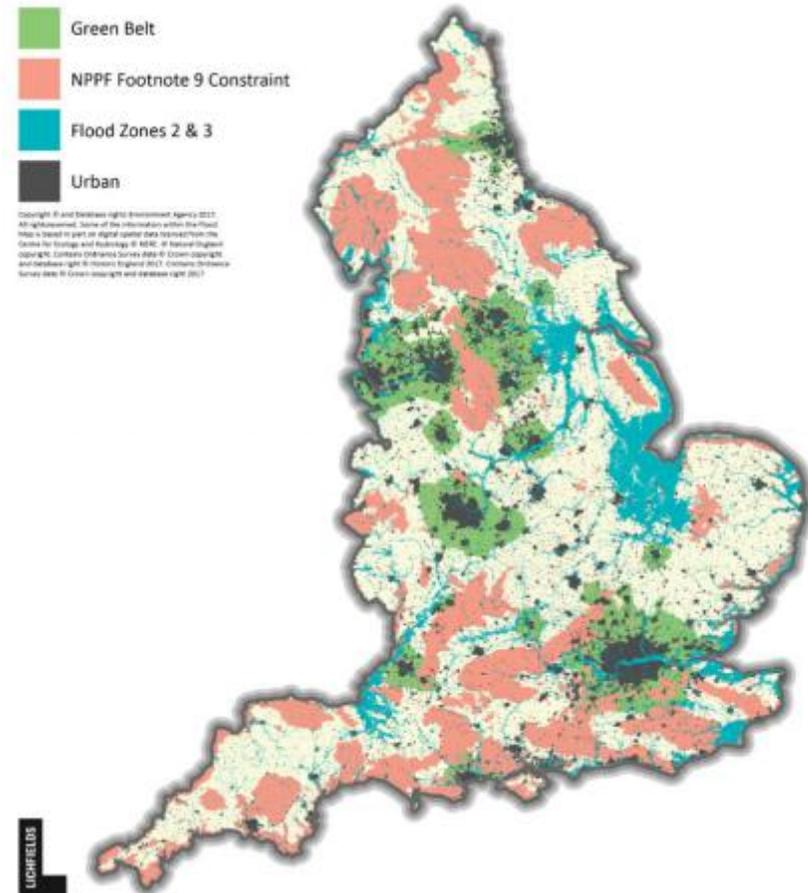
The desire to 'go large'

More viability debates in plans

- Open-book
- Benchmark Land Value
 - Replacing circularity (price paid etc) with argument (EUV+ 'premium', AUV etc)
- Profit on GDV
 - 15-20% as blended average
 - Applicable everywhere on all sites?
- Housing mix assumptions (linked to rates of devt, affordable)
- Patchwork policies for AH/obligations
- Front-loading into Local Plans to reduce debate on applications...
- ... except where change in circumstances...
- Unless lowest common denominator policy approach: Viability is the new OAN

Tightening or loosening the Belt?

- Codified Exceptional Circumstances test
 - “fully evidenced and justified”
- Para 11 presumption: “strong reason”
 - Clearer for areas ‘washed over’
 - What about areas with spatial choices?
- Brownfield sites in GB
- More focus on GB Review methodology



More power to the design elbow?

Clear design vision in plans

“Maximum clarity about design expectations”

Codes / tools / processes

Ability to refuse “poor design that fails to take opportunities available for improving character and quality of an area”



Cowan (Reproduced from LOL – a book produced in 2012 by Nathaniel Lichfield & Partners Ltd for charity to celebrate its 50th anniversary)

Engaging with a changing economy?

Next generation of retail
and town centre policies:

- Helping town centres diversify to respond to rapid change
- New markets and uses

Clusters / Local
Industrial Strategies

Getting to grips with the
shed.

- New focus on logistics warehousing; no longer the Cinderella of employment land

Summing up

Blasts from the past:

- Small sites, urban capacity
- Good design

Known unknowns:

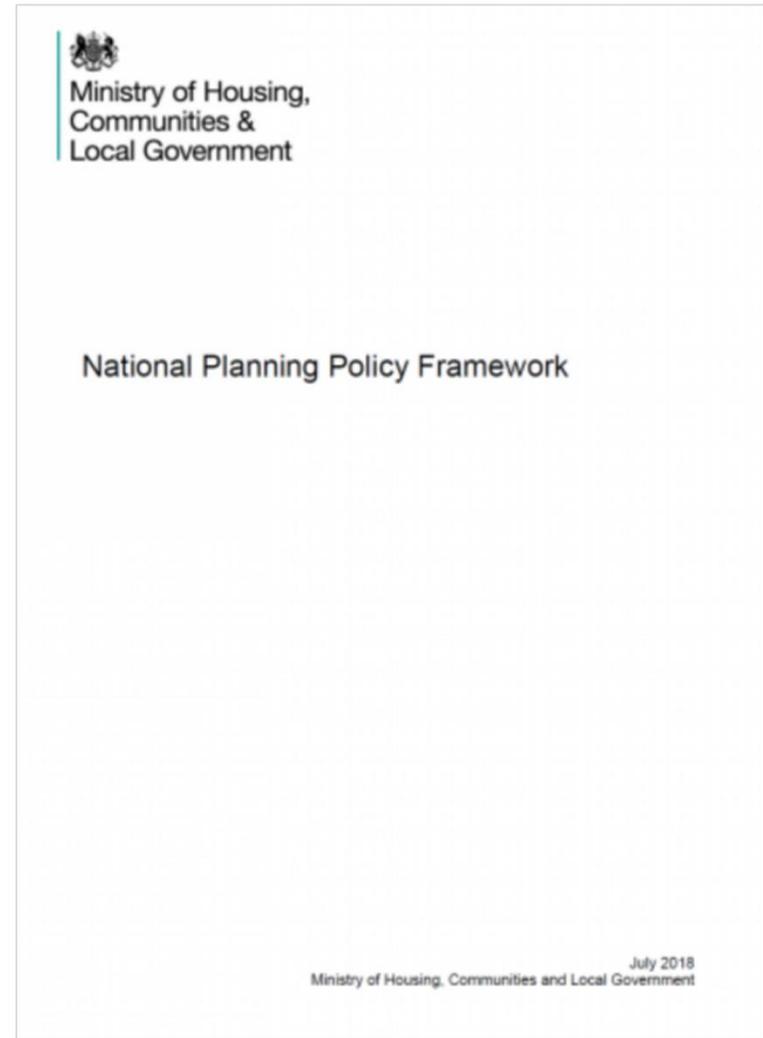
- OAN

Ongoing challenges, with a twist:

- 5YHLS / Housing delivery
- New Settlements / large-scale urban extensions
- Duty to cooperate /SofCG / strategic planning
- Green Belt
- Town centres and employment

The new arms races:

- Viability in plan making
- Housing mix



#PASCONF18

DAY 2

Spending CIL and Section 106

July 2018

Sara Dilmamode - Urban Planning Director

The logo for CITIESMODE is displayed within a black rectangular box. The word "CITIESMODE" is written in a bold, sans-serif font. The letters "CITIES" are in white, and "MODE" is in yellow. The letter "O" in "MODE" is replaced by a yellow lightbulb icon with a white filament, symbolizing ideas or innovation.

CITIESMODE

Spending Section 106 and CIL

The problem(s) and challenges

A framework for developing solutions

Caveat: This presentation groups CIL and S106 together. But different limitations on spend:

- CIL: infrastructure to support development at 15% (capped) rising to 25% for there is a neighbourhood plan
- Section 106 : limits on spend defined in agreement

Experience

2001 – LPA assisting on planning briefs AND checking compliance on S106

2003 – Consultancy estates strategies/ submitting applications AND analysing S106 agreements

2005 -Policy and Strategy local plans and environmental strategies AND S106 SPD, Mayor of London CIL EIP

2014 - designing and implementing improvement/ training programmes AND sorting out S106/ CIL systems or recruitment and monitoring

Today - research on DM and local plans – AND talking CIL and S106



Sullen



Resentful



Bitter



Resigned



Enthusiastic

CIL/ S106 System Elements 'Stages'

Setting CIL/ S106
charges/ policies

- Local Plan / Strategy

Application to development schemes

- Pre App/ Planning Application
- Resolution/ Decision

Monitoring /
admin

Spend CIL/
S106

- Implementation of Permission
- Completion

The CIL & S106 Spend Problem



How much Community Infrastructure Levy money have councils actually spent?

18 August 2017 by John Geoghegan

A *Planning* investigation reveals that councils have collected tens of millions of pounds in Community Infrastructure Levy receipts, but only a small proportion has so far been spent on infrastructure. John Geoghegan reports.



The Ark Putney Academy, Wandsworth

The screenshot shows a Huffpost article with the following details:
- **Category:** POLITICS
- **Title:** REVEALED: Councils Have Failed To Spend £375m Earmarked To Ease The Housing Crisis
- **Sub-headline:** The council responsible for Grenfell is sitting on £20million.
- **Author:** By David Bennett, Peter Gibbard
- **Image:** A small image of a building, likely Grenfell Tower.

The screenshot shows an Examiner article with the following details:
- **Category:** NEWS
- **Title:** Concern that cash reaped from housing developers isn't being spent
- **Image:** A man standing in a field, possibly a housing developer or council representative.

Legal Consequences

BBC Your account News Sport Weather iPlayer TV Radi

NEWS

Home UK World Business Politics Tech Science Health Family & Education

England Local News Regions Leicester

Leicestershire council hands back unspent £900k to builders

18 June 2018

f [social media icons] Share



Unspent CIL & S106: Reasons (and excuses)

Not every authority has lots of unspent CIL and S106

Where it does there are often good reasons for 'unspent sums':

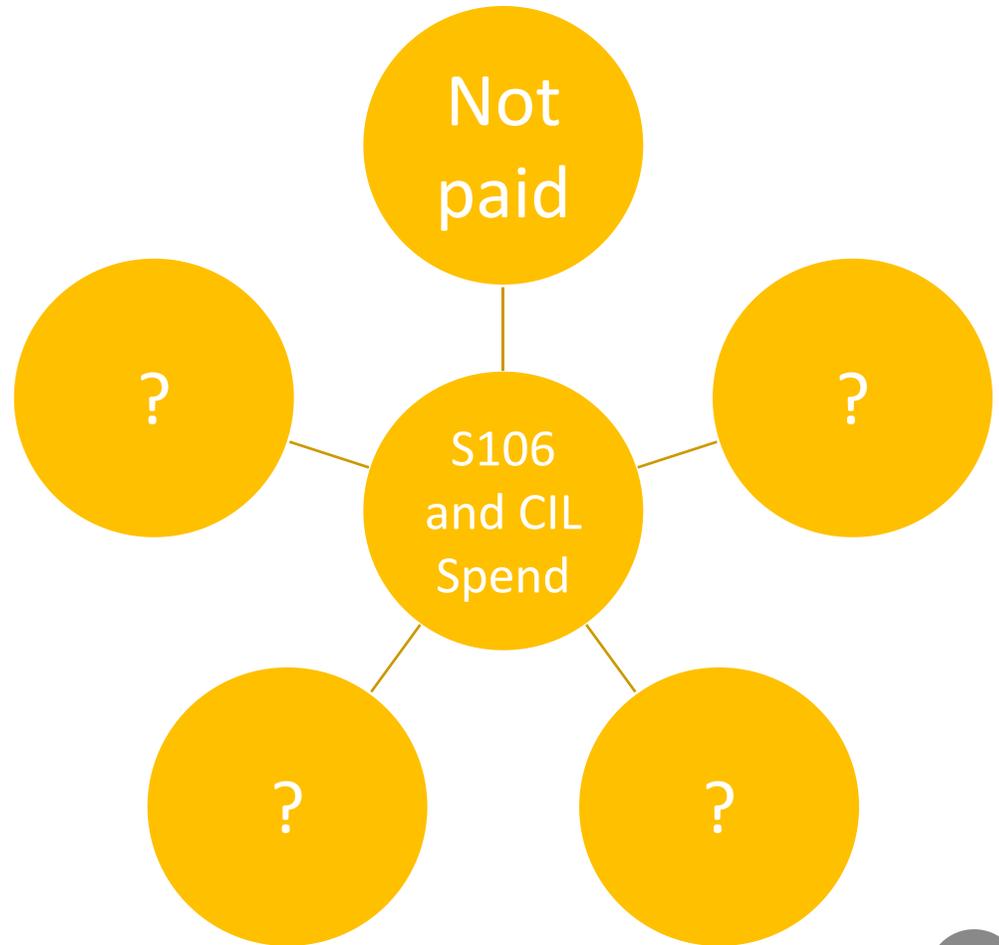
- *Accruing or 'saving up' funds for big ticket items of infrastructure*
- *Getting the necessary approvals in places for capital projects*

Sometimes the changing delivery context impacts the ability to spend:

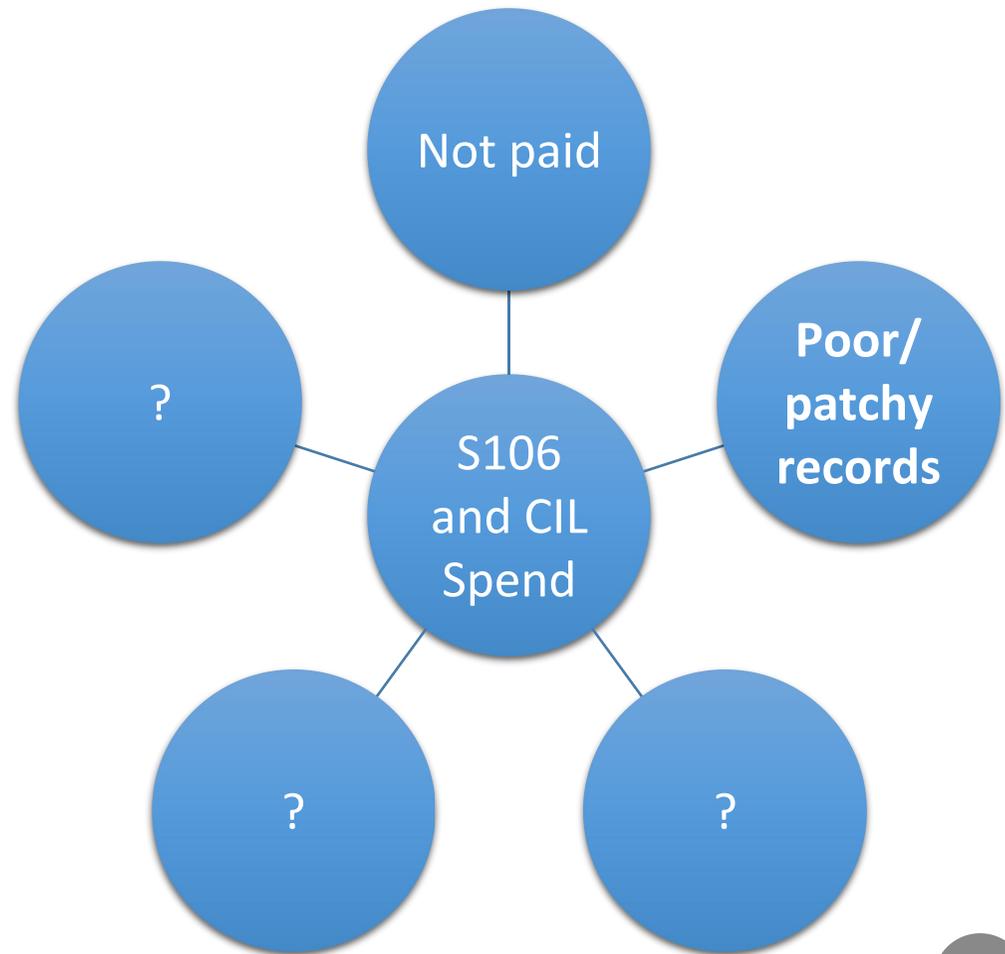
- *Changes to programmes which the sums secured (Section 106)*

But in some instances: Slow or stalled spend.

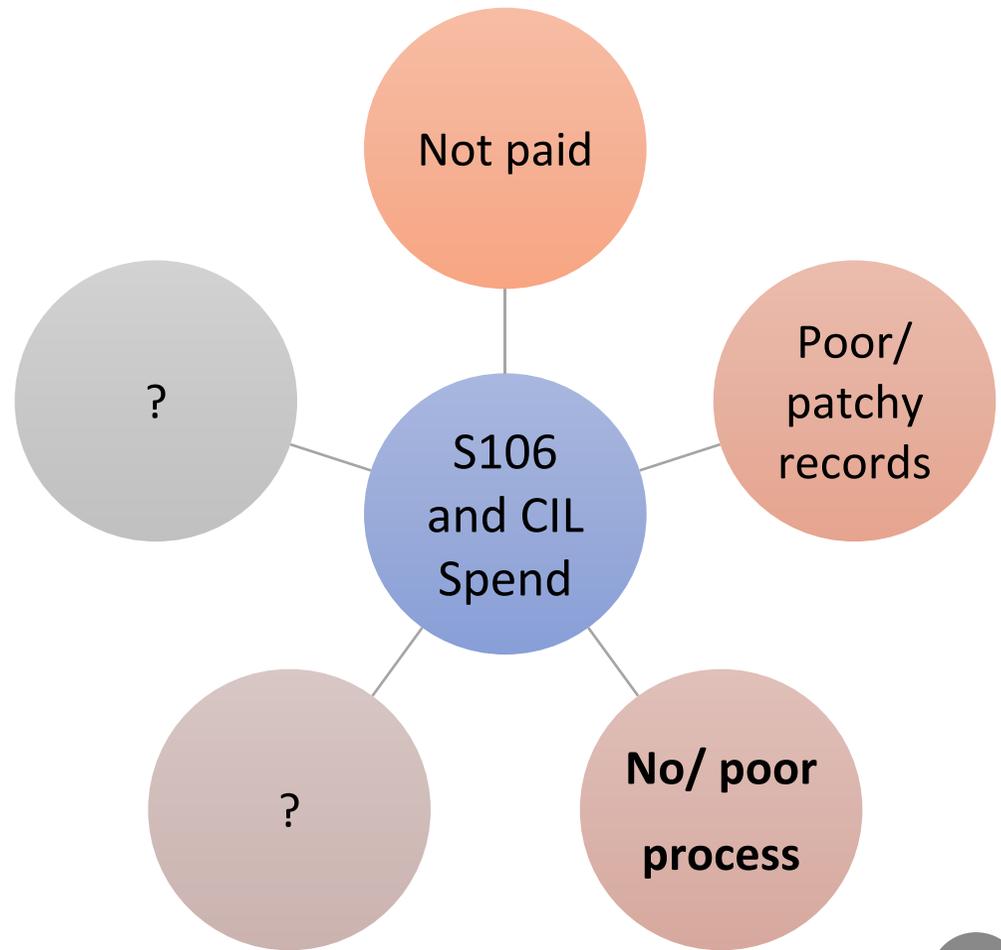
Payments due have not been collected due to a lack of active monitoring



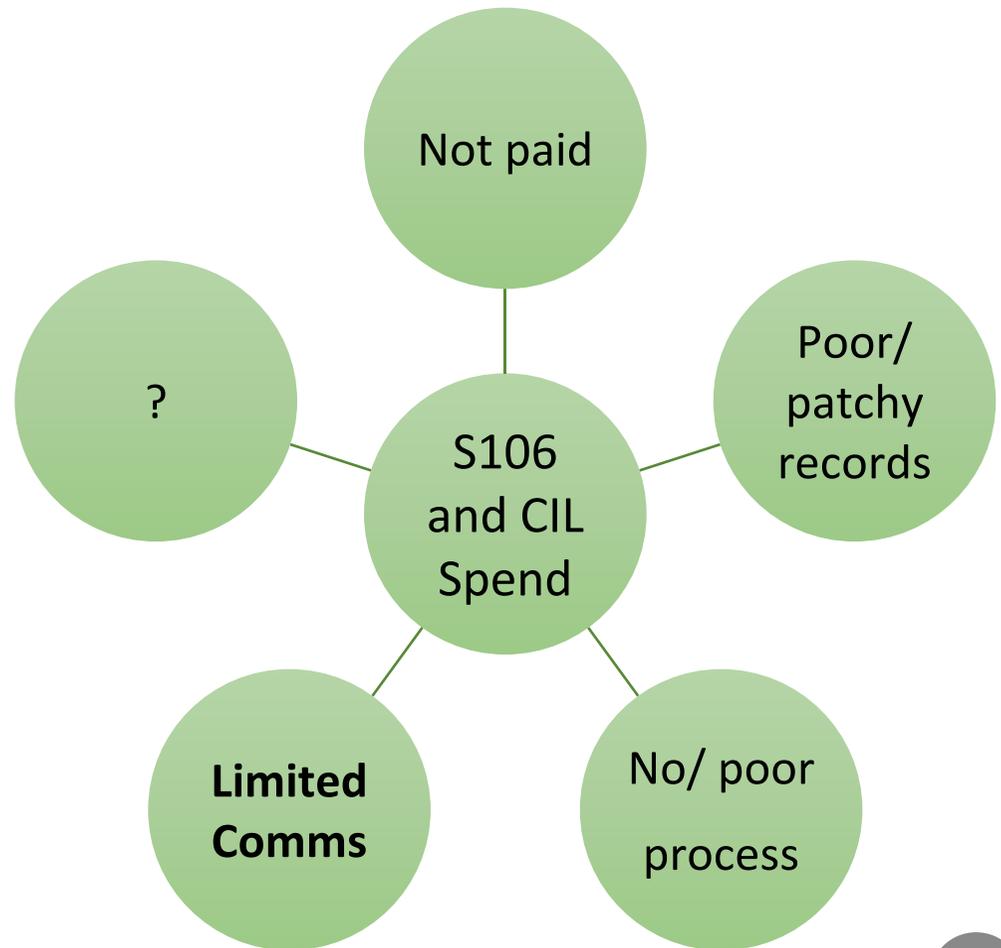
Incomplete records of current sums available to spend and historic expenditure



Lack of internal process / poorly communicated mechanisms for allocating funding



Comms gap:
Limited
promotion of
what money is
actually spent
on/ delivered



No *overall* corporate strategy for how CIL will be spent





Framework for
designing
S106/CIL
systems

Have a
strategy for
how you will
spend
CIL/S106 and
what on
(shopping list)

Based on likely level of
receipts

Mitigating
development impacts

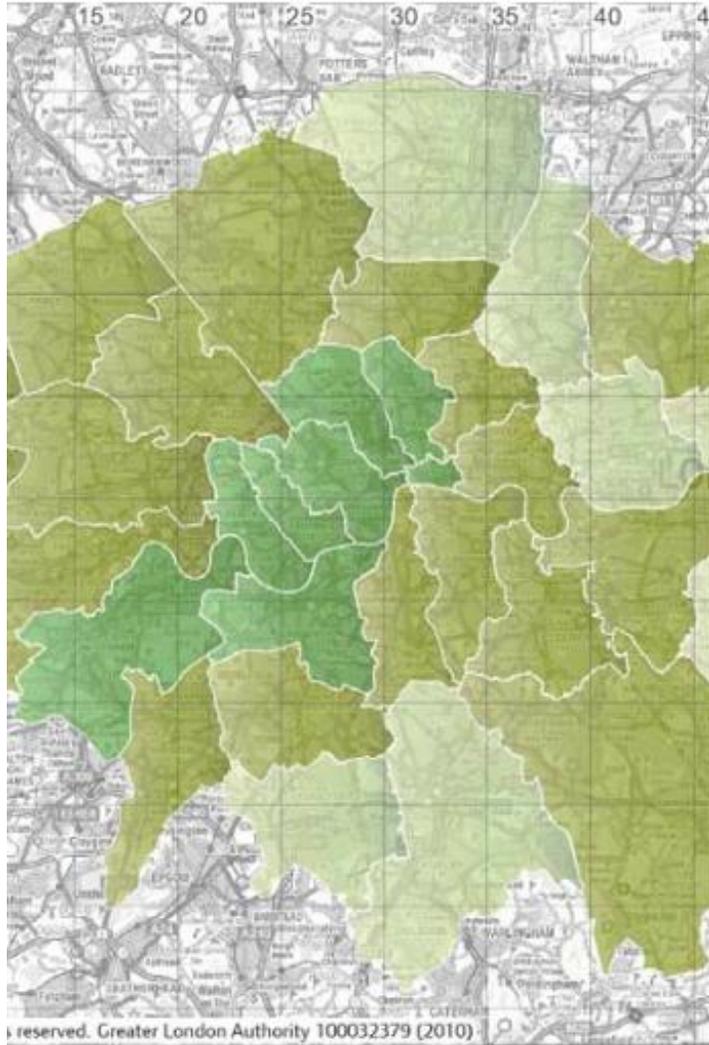
Unlocking
development potential

Types of strategy

You might chose to spend CIL on:

- Single /limited number of big infrastructure projects
- Growth area(s)
- On an infrastructure type
- Dispersed investment in maintenance / smaller scale improvements linked to development across an authority areas





Zone	London boroughs	(£ per sq. m.)
1	Camden, City of London, City of Westminster, Hammersmith and Fulham, Islington, Kensington and Chelsea, Richmond-upon-Thames, Wandsworth	£50
2	Barnet, Brent, Bromley, Ealing, Greenwich, Hackney, Haringey, Harrow, Hillingdon, Hounslow, Kingston upon Thames, Lambeth, Lewisham, Merton, Redbridge, Southwark, Tower Hamlets	£35
3	Barking and Dagenham, Bexley, Croydon, Enfield, Havering, Newham, Sutton, Waltham Forest	£20

Mayor of London's CIL

Mayor of
London's CIL

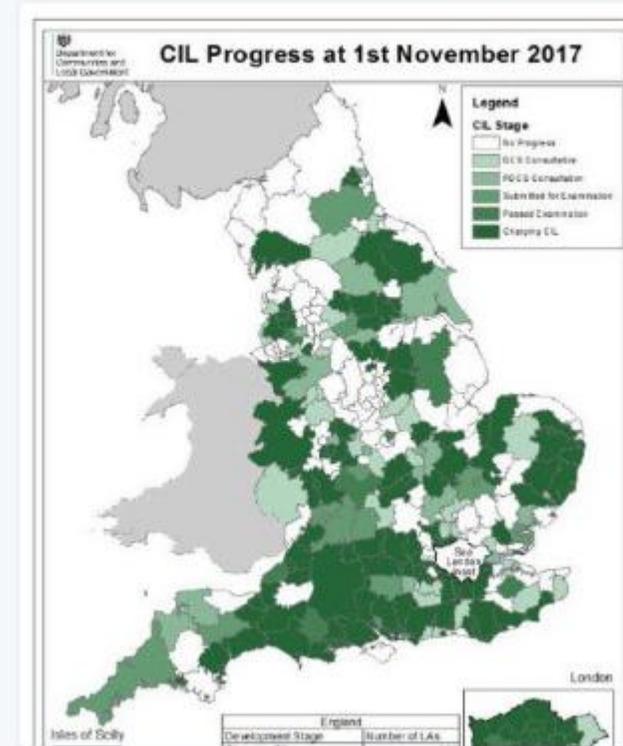
By 2017/18
already collected
£490,461,451

CIL Annual Return Overview							
Borough	Total 12-13	Total 13-14	Total 14-15	Total 15-16	Total 16-17	Total 17-18	Cumulative Total
Tower Hamlets	225,372	3,675,034	4,756,495	14,706,088	16,431,167	10,328,372	50,122,528
Westminster	2,066,374	4,391,886	7,329,079	6,976,939	12,841,367	16,234,265	49,839,909
City	1,012,252	4,511,614	1,627,033	4,821,314	16,155,428	2,001,893	30,129,534
Southwark	78,107	2,175,645	6,886,455	6,356,703	8,070,043	4,078,669	27,645,622
H & F	142,820	2,087,838	4,303,835	8,713,249	8,841,070	2,644,550	26,733,361
Wandsworth	333,888	2,001,862	5,732,401	7,659,201	6,150,221	4,724,880	26,602,452
Lambeth	801,201	4,218,376	4,395,274	4,501,947	9,370,815	1,422,167	24,709,780
Greenwich	295,653	2,704,875	1,273,114	6,795,687	4,327,654	5,401,131	20,798,113
Brent	35,213	1,620,246	3,129,950	4,073,861	2,169,126	7,831,987	18,860,383
Hackney	19,690	1,239,002	3,691,268	6,188,610	4,237,877	3,460,740	18,837,186
Camden	401,434	3,335,387	3,385,335	3,038,430	3,755,808	3,740,057	17,344,048

Strategic
Infrastructure
Tariff for
combined / joint
planning
authorities

This weeks budget reforms to enhance CIL:

- removing s106 pooling restrictions in certain places;
- allowing CIL charges to better reflect land value uplift;
- making CIL easier to introduce



1 5 4



meridian
water

Enfield: Growth area Meridian Water

Funding road and
rail infrastructure



Some authorities have adopted approaches using their IDP as the starting point

West Lancs: Selects projects from a long list of IDP projects then uses fairly generic questions to prioritise

Westminster: divided up the CIL pot based on % value of projects in the IDP. Then used identify through a bid process using fairly generic criteria (not IDP – although moving to this)

An IDP is not a strategy – but it could be

Don't conflate a spend strategy with having an IDP

IDPs have evolved into a long and not necessarily deliverable list.

But an IDP which was meaningful and realistic about projects could form the basis of this strategy

If it was genuinely a delivery document – then everyone would be interested in it.

Define the process for spending CIL and S106

The strategy will inform the design of the process.

Process: individual steps / tasks required to find out about the money available, secure it and transferring it to a project for expenditure

For example: funding a few big ticket expensive items is strategy integrating the allocation with capital programme is a process e.g. Wandsworth

CIL/S106 process document

- *Who defines which projects are funded? Is it via bids?*
- *How are external agencies involved e.g. developers/ infrastructure providers?*
- *When is funding allocated? Is it a set meeting/ times of the year?*
- *Is there form and where it is sent?*
- *How is it approved and signed off?*
- *How is this processed managed and recorded?*
- **AUDIT**



Consider the process
for allocating
Neighbourhood CIL
outside of Parish
Council/ Community
Council areas



Royal Borough of Kensington and Chelsea

APPROACH TO BOROUGH AND NEIGHBOURHOOD CIL

DATE: June 2016



Making the area feel safer



Improving parks, commons and riverside walks



Repairing roads and pavements



Better facilities for cyclists



New and improved green spaces



Supporting local people into jobs and training opportunities

What are the priorities identified by residents of Wandsworth Borough?

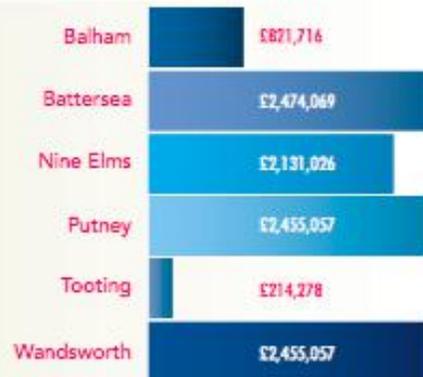
In early 2014, we consulted Wandsworth residents on how the fund should be spent over the next few years.

Over 500 individuals and organisations responded to the consultation.

Through this public consultation, residents identified the following priorities for the WLF:

Overview 2015 - 2018

Total amount of neighbourhood CIL collected up until December 2017



Total Strategic Borough CIL collect as of March 2018

£70,211,220

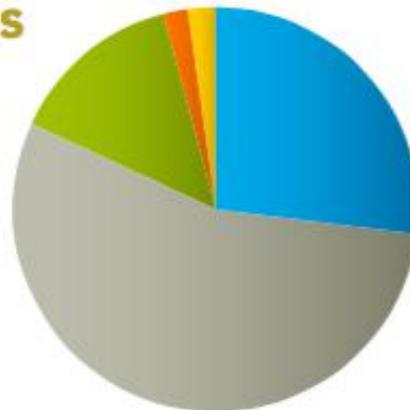
Total Neighbourhood CIL collected up to 30th December 2017

£10,531,683

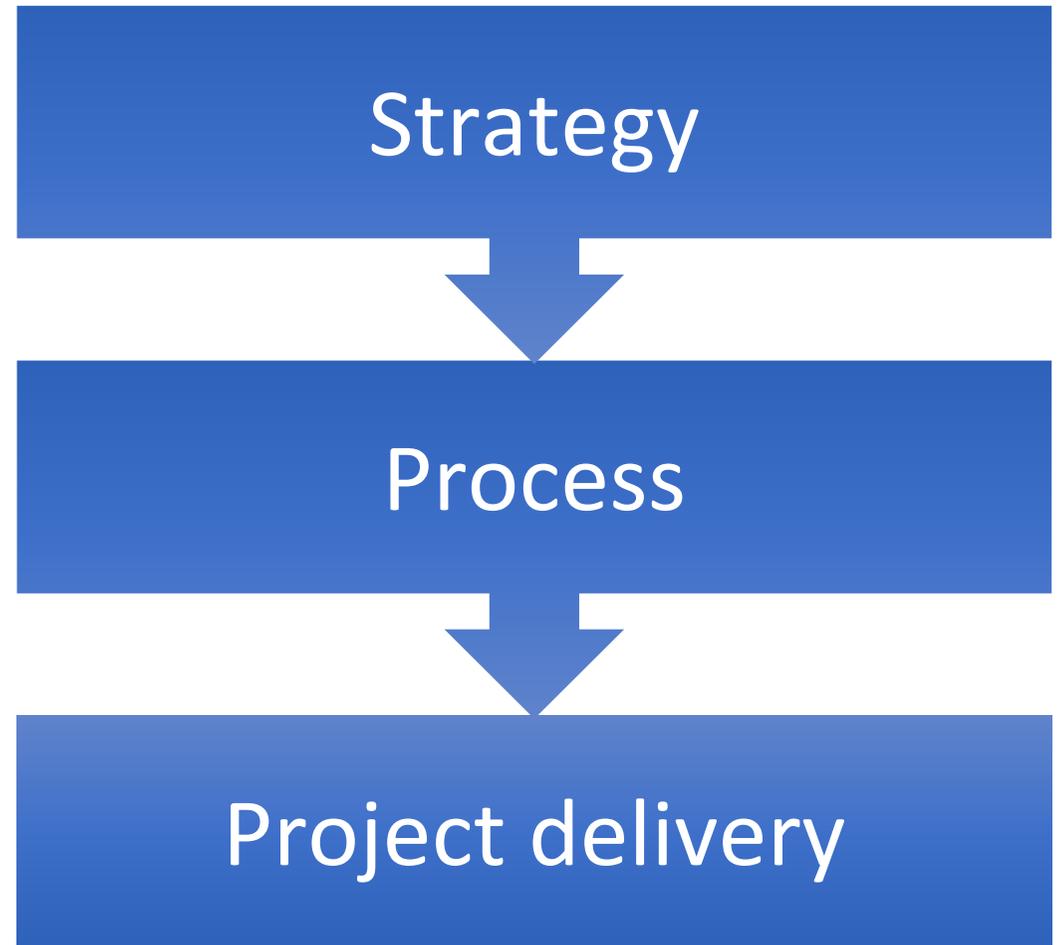
Total amount committed towards projects as of March 2018

c £7,200,000

Types of schemes



Communicate spend and delivery





S106 projects

Last updated: 18 June 2018

Every ward in Cambridge benefits from a range of local projects that have either been completed in recent years or have been allocated S106 funding.

Take a look at our [photo gallery \[PDF, 2.1MB\]](#) of S106-funded projects delivered since 2013.

Projects completed since the start of 2016 include:

Resources

The strategy and process will define where the 'spend' function should be

Different parts of the CIL/S106 system have different staff needs

Don't neglect the monitoring function



Difficult to
recruit to CIL /
S106 monitoring
posts

Low retention
when you have
recruited

Single member
of staff holding
all of the “know
how”

Recruitment/ Staffing challenges

Overcoming the recruitment challenge

Recruitment: Appoint a methodical and numerate person with customer service experience/ aptitude. Look for an interest in planning - but not necessarily a planner!

Retention: Create a sense of 'team' around that officer.

Resilience: Document the monitoring process – systems first.



Framework
for designing
and
improving
S106/CIL
systems





Any
questions?



@Citiesmode
www.citiesmode.com

What does this mean to you?

- National policies need thought about how to implement locally
 - We have covered lots of topics over the last two days
 - they won't all matter to you
 - What will you need help with?
 - Is it something that PAS already offers?
 - We're going to try and help you decide
-

PAS Work Programme 2018/19

Three areas;

1. Improving policy-making and infrastructure provision
 2. Improving decision-making and delivery
 3. Communication: Updates and Reform
-

Policy-making and Infrastructure Provision

- Helping authorities to understand and respond to proposed changes
 - Supporting those at risk e.g. intervention, LHN, SoCG
 - Supporting authorities with changes to Viability, CiL and developer contributions
 - Supporting and encouraging joint planning.
-

Measures of success

- Getting plans in place which meet the legal requirements and the test of 'soundness'
- An increase in the number of authorities producing 'sound' plans
- The number of authorities without an up to date plan decreases.

NB. There are target groups!

Improving decision-making and delivery

- Improving performance of authorities that are under-performing in determining applications or decisions overturned at appeal.
 - Supporting authorities that are at risk of failing the Housing Delivery Test
 - Improving the capability of planning authorities in processing applications for shale oil and gas extraction.
-

Measures of success

- All authorities at risk of failing the HDT have to prepare an action plan within 6 months of the test results.
 - All authorities receiving support agree that it helped them to either avoid designation or improve their performance and capability.
 - The performance of authorities supported by PAS improves both in absolute terms and relative to the national average.
-

Communication: Updates and Reforms

- To update and prepare Councils for the implementation of the NPPF and associated policies and guidance.
 - To improve the ability of authorities to monitor delivery against their plans.
 - To develop a best practice sector led guide on the GPDR and its implications for LPA's
-

Measures of Success

- At least 85% of attendees are confident about how to implement reforms
 - At least 85% of delegates agree that PAS helped them to improve their monitoring and management of the delivery pipeline.
-

What can we do to help you?

- What are your initial thoughts about the reforms? (write your first thought down)
 - What support will your Council need? (write your first thought down)
 - How could PAS usefully meet this need? (write this down)
 - If we couldn't help, who could? (write this down)
-

Discuss this in your table groups

- What is the biggest issue facing your table?
 - How did you arrive at this answer?
 - What can we do to help?
 - When will we need to do this?
 - Who else offers the help you need?
-

Looking forward

- CIL / s106 / developer contributions
 - New NPPG too
 - plan-making ... and other things too ?
 - Letwin Review
 - Planning Appeals Review
-

Talking to your colleagues

- Presentation
- <https://draftable.com/compare/LysguffMnKVV>
- Councillor briefing when we think we understand

24. Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. They should require applications for main town centre uses to be located in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered. When considering edge of centre and out of centre proposals, preference should be given to accessible sites that are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale.

Closing thoughts

- Subscribe to our bulletin.
 - It's not another newsletter – our events and materials
 - Talk to us. We are friendly. 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 practitioner network
 - We hang out there too
-

Closing thoughts

- Become a peer
 - Give something back. See the world. Do good work. Have fun (!)
 - Only if you complete your form properly (including the front bit)
 - Use the peer network
 - New in post ? Tricky at the top ?
 - Peer challenge!
 - Simple. Powerful.
-

Purpose of today - did we succeed?

- Time / space to consider / debate / think
 - out of the office
- Some changes to NPPF are obvious
 - others less so
 - what matters to your place ?
 - what “heads up” do your leaders need?
 - what are you going to change ?
- We are not here to attack / defend policy
 - Instead help you understand and respond
- Nor is this event a substitute for reading

We are at 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.





!! Feedback forms !!

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