

Technical consultation on updates to national planning policy and guidance – an LGA response

December 2018



The Local Government Association (LGA) is the politically led cross-party national voice of local government. We work with councils to support, promote and improve local government.

Key messages

- The LGA has acknowledged that there are merits in introducing an element of standardisation in supporting to councils assess housing need. However we have a number of concerns with the locally assessed need figures' responsiveness to the complexity in local housing markets, and the implications of using them as a target within the Housing Delivery Test.
- The new ONS population projections and the subsequent need for this consultation reinforces our concerns with the overall approach. While we understand why the Government has proposed to use the 2014-based projections to provide some short-term certainty, the need for a long-term review makes clear the inadequacy of the methodology.
- Furthermore it is now crucial to adapt the application of the Housing Delivery Test in line with this short-term fix. In particular to remove or significantly reduce the presumption of sustainable development within the test which could have a profound impact on the public's trust in the planning system.
- We look forward to investigating how a longer-term approach to standardising how we understand local housing need can support councils and empower communities to deliver the right homes in the right places.

Revising the standard method for assessing housing need to be consistent with increasing housing supply, and clarifying that 2016-based projections are not a justification for lower housing need

Question 1: Do you agree that planning practice guidance should be amended to specify that 2014-based projections will provide the demographic baseline for the standard method for a time limited period?

Question 2: Do you agree with the proposed approach to not allowing 2016-based household projections to be used as a reason to justify lower housing need?

Answer:

Paragraph 31 of National Planning Policy Framework requires that all policies should be underpinned by relevant and up-to-date evidence. In order to be found "sound" Plans have to be justified in that they are an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence.

While we recognise the value of supporting councils to understand local housing

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Briefing

need, it is our view this assessment should be determined locally based on the most relevant up to date information. Local housing markets are complex and changing, and are interconnected with wider factors in the economy and society.

ONS household projections are just one of very many indicators reflecting just one part of the story in local housing markets, and it has limitations. We understand why the Government is proposing to continue with using the 2014-based projections in order to maintain a level of short term certainty. However the need to do so and the commitment to a future review highlights both the inadequacy of the numbers and the overall fragility of the approach. This can risk delaying and frustrating the local planning process in many areas, rather than streamlining and speeding it up as was the original intention.

The impact of the local housing need numbers that result from the standard methodology is very real. In some areas it caps ambition to grow the local economy, and provides leverage for those local interests less favourable to new development. In other areas it sets an ambition that seems undeliverable in the current environment, especially as councils continue to hold few tools to ensure developers build good quality homes at the pace and scale necessary.

In our view, the Housing Delivery Test translates the local housing need numbers into targets, which will have very real implications for many communities. For instance many councils will understand now that their area will not be able to deliver the number of homes specified by the locally assessed need, and a good number will know that the presumption of sustainable development will likely apply as a result.

This risks frustrating the local planning process rather than enabling it. Furthermore it could have a profound impact on the public's trust in the planning system in cases where communities that have engaged in the local planning process have their wishes bypassed by developers choosing more profitable sites not allocated in the Local Plan once the presumption applies.

Our modelling suggests that, should we achieve our target of building 300,000 homes a year by 2020/21, over half of them could be via the presumption of sustainable development.

We therefore consider that the Housing Delivery Test should be amended, in order to reflect the potential implications of the Test with the validity of the data at the heart of it over the short-term. Our preferred option would be to replace the presumption of sustainable development with a more positive measure, for instance more robust external support for councils and developers to understand and resolve the barriers to development.

Should the Government want to continue with this approach it must adapt the Housing Delivery Test to reduce the potential impact on communities. This might be achieved by:

- significantly reducing the threshold at which the presumption applies
- extending the 'Action Planning' period to five or more years
- creating an appeal mechanism for councils that can demonstrate factors outside their control have limited development.

The Government should then work positively with councils and developers to understand how the longer-term approach to assessing local housing need, and how the planning system might best incentivise and enable the delivery of good quality new homes into the future.

Applying the cap to spatial development strategies

Question 3: Do you agree with the proposed approach to applying the cap to spatial development strategies?

Answer:

This is a sensible approach. However our wider concerns remain with regarding the use of local housing need numbers using the standard methodology.

Housing land supply

Question 4: Do you agree with the proposed clarifications to footnote 37 and the glossary definition of local housing need?

No. The approach limits the flexibility for local areas to reflect more accurate understandings of housing need in their approach.

The definition of deliverable

Question 5: Do you agree with the proposed clarification to the glossary definition of deliverable?

No. The main concern with the current definition of 'deliverable' in the revised National Planning Policy Framework is that it reverses the burden of proof to councils on whether sites with outline planning permission for major development, allocated in a development plan, a grant of permission in principle, or identified on a brownfield register, could start to deliver within five years.

The proposed amendment to the current text does not reverse this burden of proof. It is our view that the definition of 'deliverable' should revert to the previous definition in the original National Planning Policy Framework (footnote 11), and acknowledge the clarity of the St Modwen case judgement in East Riding in 2017..

Development requiring Habitats Regulations Assessment

Question 6: Do you agree with the proposed amendment to paragraph 177 of the National Planning Policy Framework?

Yes.