



Leadership Essentials: Planning Reform

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www.pas.gov.uk

Course Objective

This programme is designed to:

- help you understand more about what the reforms are
- get you to think about what it means for your planning service
- help us understand your perspective
- and what PAS can do to support councils

Key Facts

- Started in 2004
- Part funded by DCLG. Part of the LGA.
- 6 staff. Peer community. Supplier framework.
- Grant money funds some of our work
- Non-judgemental. Not inspectors. **Not Government!**
- Respond to reform. Keep you current
- Support, promote, innovate

The Government & Planning Reform

Day1

- The Government Agenda
- Plan making
- Political leadership of planning
- A developer's view: *Urban & Civic*
- Standardised Housing requirement & Housing Delivery test
- CIL Reform

5.30pm finish

7pm bar & 8pm Dinner

Day2

- 9.00 start
- LGA Research
 - Planning Application Performance
 - Your Good Practice
 - Horizon scanning
- Finish 1pm
Optional Lunch



planning advisory service



Introduction to the Government Agenda

www.pas.gov.uk

The Government's Planning Reform Agenda

- The Housing & Planning Act
 - DM performance
- The Neighbourhood Planning Act
- The Housing White Paper:
Fixing our broken housing market
- Consultation: Planning for the right homes
in the right places



Planning for the right homes in the right
places: consultation proposals

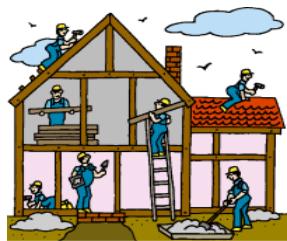
The Government's Planning Reform Agenda

Still to come:

- Draft NPPF consultation/
new NPPF & guidance
 - Pre Easter (?)
- CIL Consultation: CIL & S106 reform
 - Pre Easter (?)

The Government's Planning Reform Agenda

The key DCLG (now MHCLG) priorities focus on:



Driving up housing supply



Increasing home ownership



Devolving powers and budgets to boost local growth



Supporting strong communities with excellent public services

Manifesto Commitments - Budget - Productivity Plan

The Government Aim:

- Theresa May: “more into building homes to ensure that young people have a better opportunity to get on the housing ladder”
 - Sajid Javid: “...make sure we build more homes, that local people are still involved in those decisions and that we find ways to speed it up”.
 - Gavin Barwell: I look forward to working with councils, housing associations, developers, investors and local communities to make sure we build what we need with the mix of tenures that people want and that those homes should be great places to live.
-

The Government Aim:

- Theresa May: “more into building homes to ensure that young people have a better opportunity to get on the housing ladder”
- Sajid Javid: “...make sure we build more homes, that local people are still involved in those decisions and that we find ways to speed it up”.
- Alok Sharma: ?

The Government Aim:

- Theresa May: “more into building homes to ensure that young people have a better opportunity to get on the housing ladder”
- Sajid Javid: “...make sure we build more homes, that local people are still involved in those decisions and that we find ways to speed it up”.
- Dominic Raab:??



The response: a comprehensive four-point plan

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

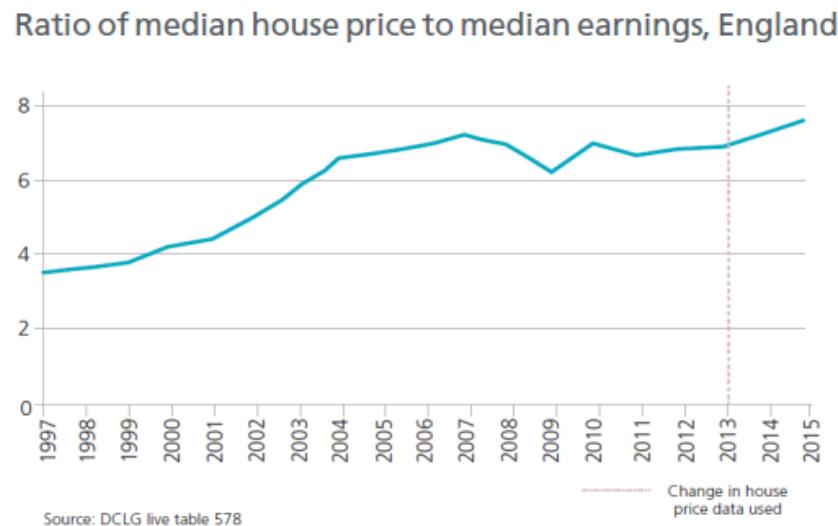
“We need to build many more houses, of the type people want to live in, in the places they want to live. To do so requires a comprehensive approach that tackles failure at every point in the system.”

The Rt Hon Theresa May MP





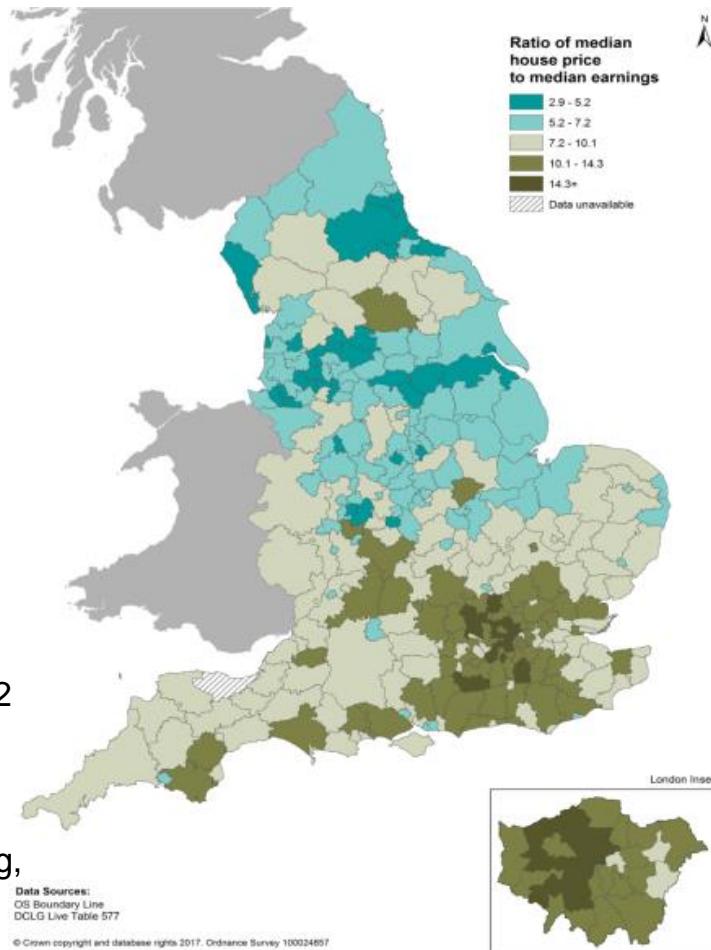
Context: housing is increasingly unaffordable

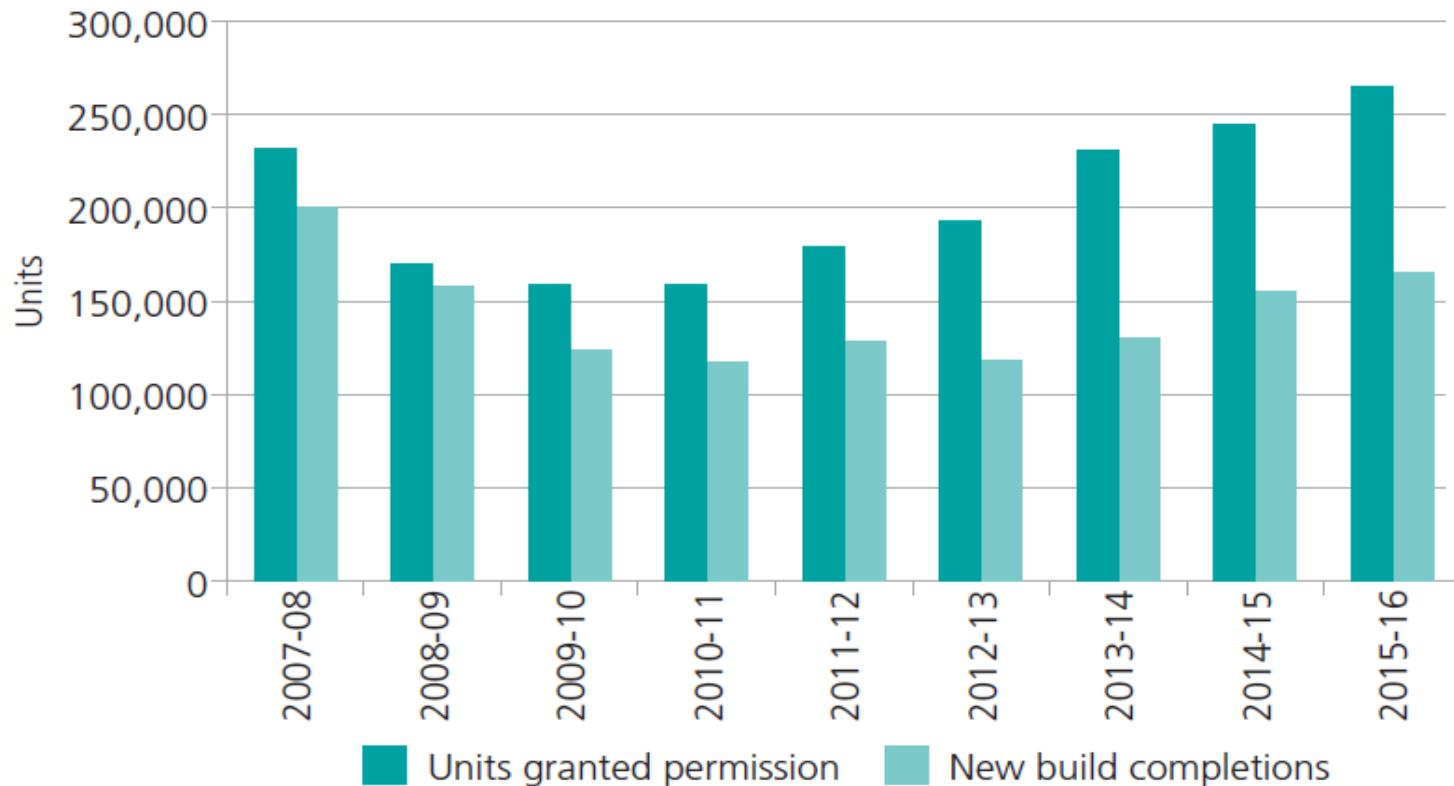


By 2020 only 25% of 30 year olds will own their home

The average London home made its owner more than £22 an hour during the working week in 2015 – much more than the average Londoner's hourly rate

Rental costs are also rising: for the average couple renting, rent now equals 46% of income





Source: Glenigan planning permissions data; DCLG Live Table 120

HWP: Plan-making:

The White Paper **confirmed** (following consultation or legislation) that:

- Ending the expectation of a single local plan
- Allowing spatial development strategies to allocate strategic sites
- Expecting plans to be reviewed at least every 5 years
- Introducing a more proportionate soundness test

It **consulted** on:

- Key strategic priorities that every area should plan for
- A revised presumption – specific national policies must give a strong reason to restrict development when preparing plans

and it said there will be **separate consultations** on:

- A standard methodology for housing requirements (and whether this could be used for neighbourhood areas)
 - Statement of common ground for cross-boundary requirements
-

HWP: Making land available

The White Paper **confirmed** that the Government are:

- Aiming for comprehensive land registration by 2030
- Intending to legislate for locally accountable new town corporations

It **consulted** on:

- Allowing all councils to dispose of land with permission they have given
- At least 10% of local plan allocations being 0.5ha or less
- Specific tests before Green Belt can be released
- Clear design expectations in plans (at the most appropriate level)
- Pursuing opportunities for higher density – views invited on minimum standards; and review of Nationally Described Space Standard

and said there would be **separate consultations** on:

- Improving transparency of contractual arrangements on land
 - More flexibility to dispose of land at less than best consideration
-

HWP: Improving delivery

The White Paper **confirmed** that the Government would:

- Introduce the ability to ‘agree and fix’ five year supply (for a one year period)
- Allow higher application fees: +20% (if reinvested); potential for more

The White paper **consulted** on:

- Potential introduction of appeal fees
- Better information on the timing and pace of housing delivery
- Shorter default timescale for permissions (3 to 2 years)
- Site deliverability (and applicant record?) as material considerations
- Consequences of housing delivery test

and it said there would be **separate consultations** on:

- Requiring large developers to publish information on build rates
 - Encouraging the use of compulsory purchase on stalled sites
-

HWP: Market diversity & helping people now

The White Paper **confirmed** that they would:

- Allow more brownfield land to be used for developments with a higher proportion of starter homes

It **consulted** on:

- Requiring housing sites to provide at least 10% affordable home ownership units (only sites of 10+ units or 0.5ha+)
- Revised affordable housing definitions
- Plus detailed proposals for how planning can support build to rent (in separate consultation, published at the same time)



Department for
Communities and
Local Government

Planning for the right homes in the Right Places





Consultation concentrates on proposals to put
more homes in the right places
Takes forward housing White Paper commitments

Key proposals include:

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

Name those Housing Ministers

- There have been seven housing ministers since 2010?
- Can you name them?

Name those Housing Ministers



Average tenure: 15 months

Being Planning Ministers only do slightly better

Average tenure: 18.8 months





planning advisory service

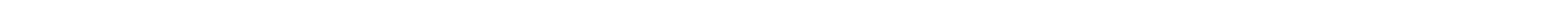


Planning Making

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Plan making

- Local Plan Intervention
- 5 year review of adoption
- Strategic Planning – Statement of Common Ground
- Standardised Needs Assessment/Local Housing Need
- Delivery of local plan numbers



Local Plan Intervention

The Government are very, very keen again to see total plan coverage by end of Parliament

- 146 (43%) LPAs with a plan that is less than 5 years old
- 131 (39%) LPAs with a post 2004 but more than 5 years old
- 61 (18%) LPAs with no post 2004 plan
 - 27 at examination,
 - 9 published but not submitted
 - 25 not published

Local Plan Intervention

- The Government – not just CLG - is fed up with what it sees as lack of progress in putting local plans in place
- They consider they have simplified the system eg through the NPPF, and cannot understand why LPAs have not delivered the plans
- Adequate land allocations across the country are seen as fundamental to meeting needs for housing
- There is a sense that exhortation has failed, and it is time to have a bigger stick available

Local Plan Intervention

- H&P Act introduced powers for SoS to intervene to bring LPA plans forward. The Government: “will intervene to arrange for the plan to be written, in consultation with local people, to accelerate production”
- They gave a deadline of early 2017 back in 2016
- Nov 2017 SoS wrote to 15 LPAs to stay he is minded to intervene

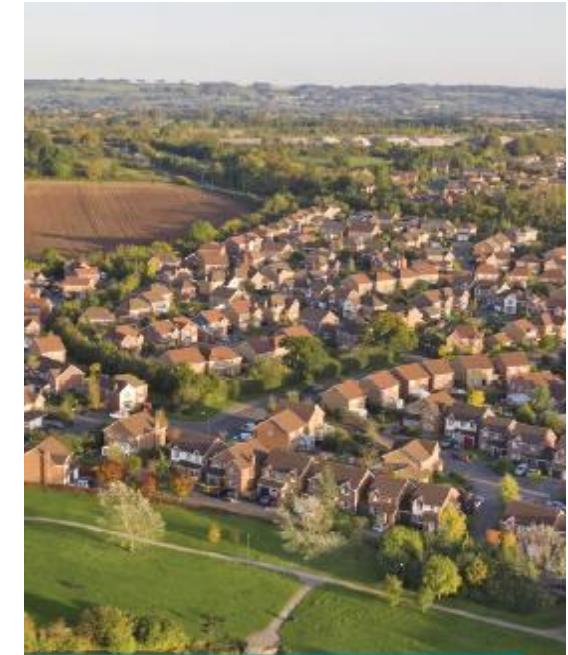
SoS Intervention powers

- Can invite a County Council, Mayor or combined authority to prepare local plans for a council within their area
- Can direct an LPA to publish a local plan
- SoS has power to direct LPAs to produce joint plans
- Can recover costs of invention from an LPA

The SoS will only intervene where they will expect to bring the plan forward earlier



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





What should a Statement of Common Ground cover?

Preliminary SCG published after 6 months of revised NPPF

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



Additionally after 12 months

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



Plan making

- All plans must be review within 5 years of adoption
- Increased focus on Strategic Planning
- Standardised Needs Assessment
- Absolute focus on delivery of local plan numbers

Advice:

- Have an up to date LDS and keep to it
- Work closely with the LPAs within your HMA
- Draft NPPF arriving pre Easter – and becoming live in July (?)

Political leadership of planning - what makes a good planning councillor?

Group exercise

Political Leadership of planning

- What attributes make a good political leader of planning?
 - On your tables spend 20mins and list your **7 key attributes for planning portfolio/committee chair**
 - We asked some officers and we'll share with you what they said.
-

Political Leadership of planning

- **They have a vision**

They are clear about what we are trying to achieve and why, see the bigger picture, understands and supports the council's strategic planning aims and wider policies, is outcome focussed with an ability to appreciate role of planning in creating a sense of place giving a holistic whole place approach

Political Leadership of planning

- They have a good knowledge of current planning issues and wider issues including delivery, financial and performance agenda**

They have a very good understanding of current planning issues, especially the need to balance competing policies and objectives (both national & local policies), understands the wider impact of benefits of development eg employment, NHB, council tax income, retention of business rates, has a good understanding and interest of delivery ie what is practically happening and what needs to happen to deliver strategic objectives. Has a good understanding planning performance agenda. Regularly accesses good training, always prepares well, ie. reads reports and listens to views.

Political Leadership of planning

- Has a good working relationship with staff, working collaboratively and challengingly with officers, working well with developers, other council services & other politicians.**

The ability to recognise and promote the positive impact planning can have within a Local Authority. Is able to build and maintain relationships, working collaboratively with officers and has a relationship of mutual trust with their officers. Works inclusively, taking on-board a range of views expressed before reaching a final decision. Has good engagement with all key stakeholders including developers and council service areas. They are able to question and challenge officers and developers with searching questions to really understand policies, proposals and make sound planning judgements.

Political Leadership of planning

- **They have an ability to think ahead, good political “nouse”,**

They have an ability to see potential fall-out/issues and benefits from developments and can advise officers accordingly.

.

Political Leadership of planning

- They are a good communicator, with good listening skills**

They have excellent/great communication skills with Developers, Communities, Council Officers and fellow Councillors. They have the ability to listen well and ask relevant questions. They are articulate and confident.

Political Leadership of planning

- **They have courage and can act boldly.**

They have the courage and boldness to stick with decisions and policy in the face of challenge from communities and fellow councillors. Dedicated

Political Leadership of planning

- **They can show balance & empathy**

They are able to show good judgement in balancing up issues when dealing with conflicting views or policies and negotiations. Shows empathy and understanding when hearing peoples' views, even if they are not agreed with.

Political Leadership of planning

For planning committee chairs

- **Good Chairing Skills**

They have robust chairing skills, an ability to cut through what are not planning considerations being raised in planning committees.

Lunch – 1 hour

and last call for good practice examples

voting will be open when you get back from lunch!!!

PAS Conference – Jan 2018

The Master Developer View

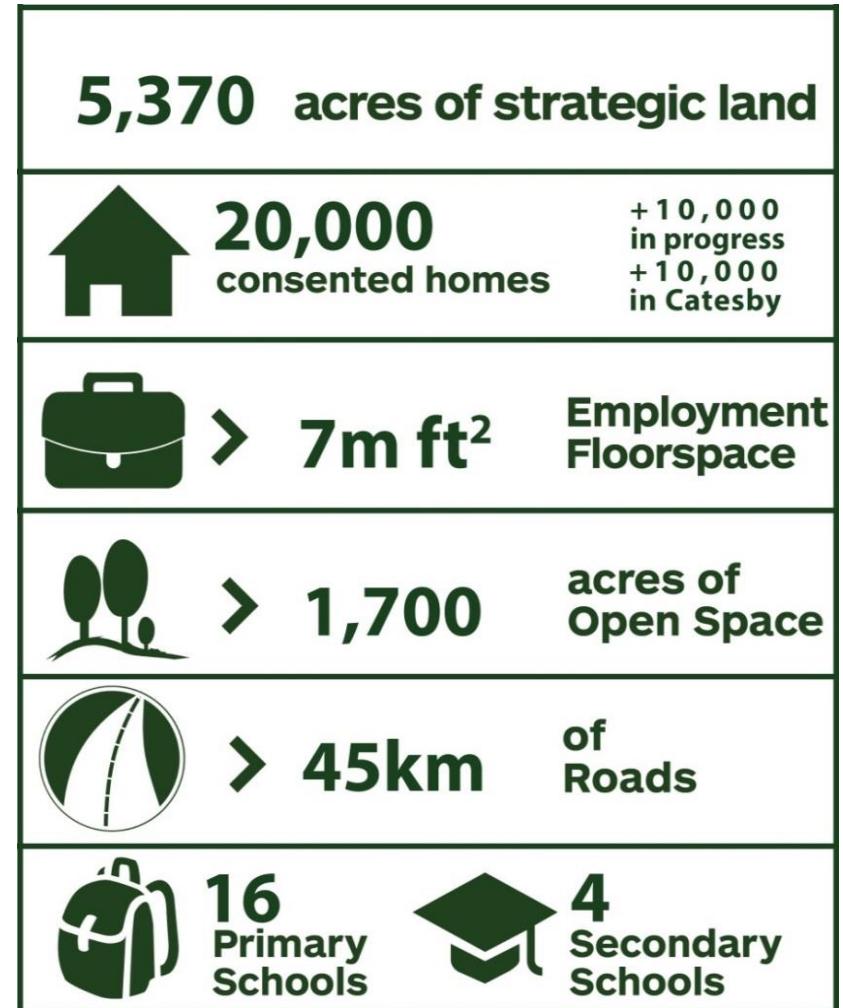
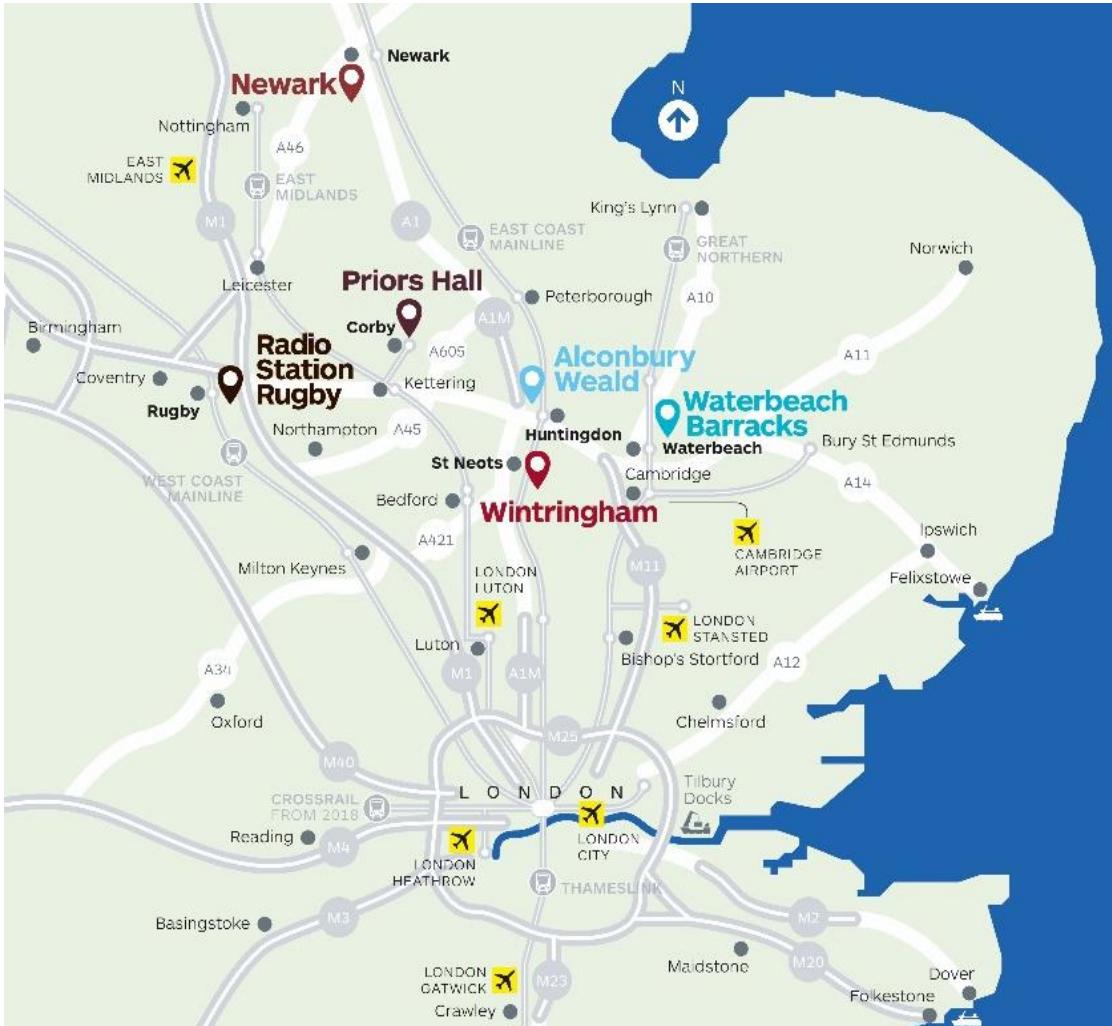
James Scott

Urban & Civic



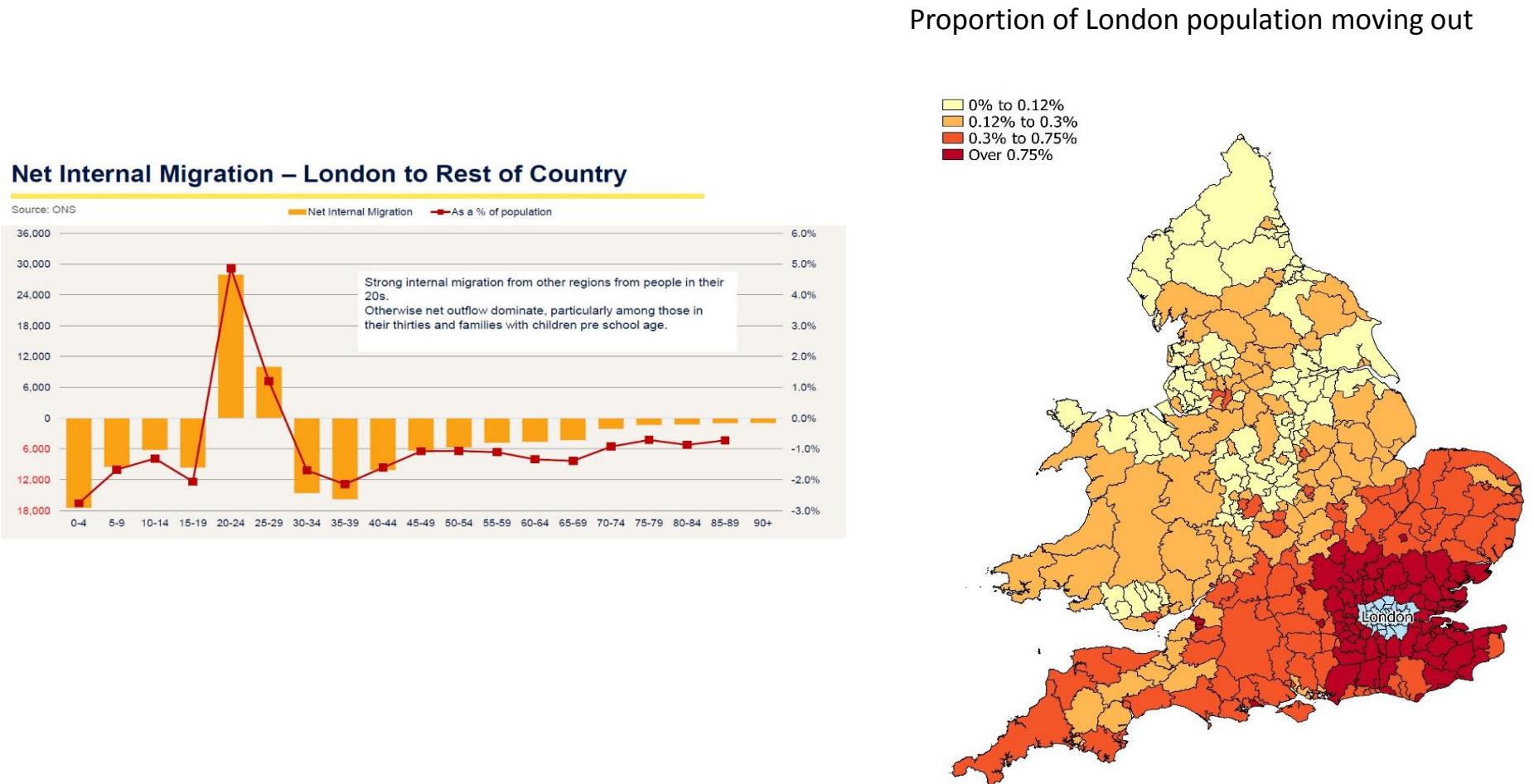
Operating at strategic scale

U&C



A country on the move - snapshot

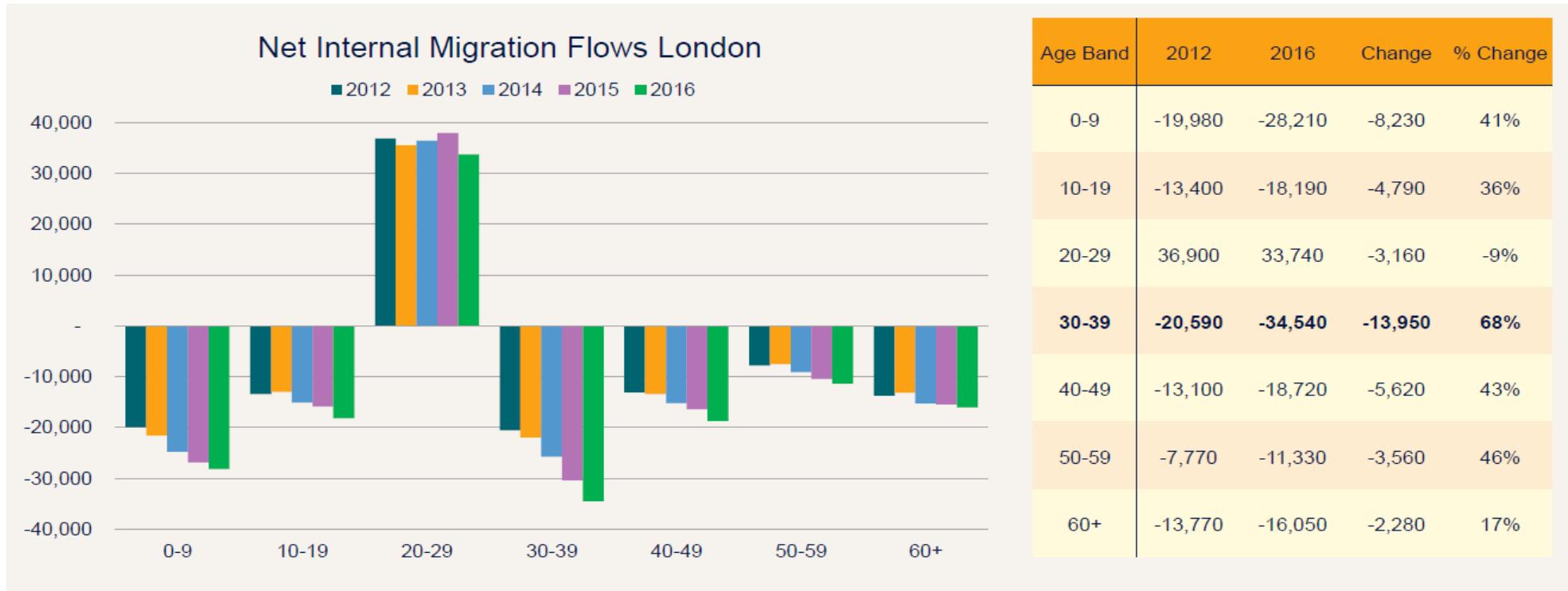
U&C



Source – Savills, *Internal Migration & UK Housing*

A country on the move - trend

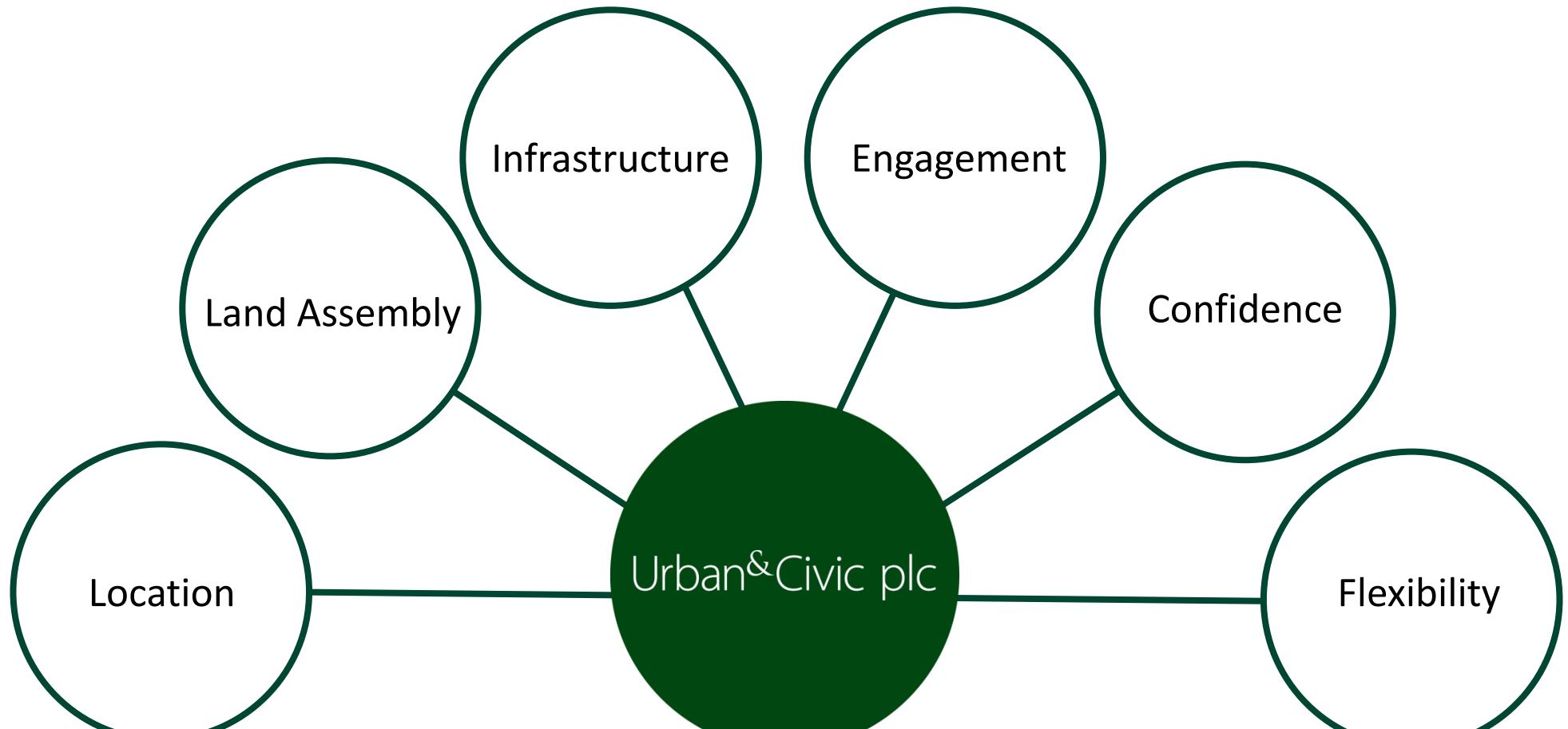
U&C



Source – Savills using ONS Data

Garden [insert scale of settlement here]

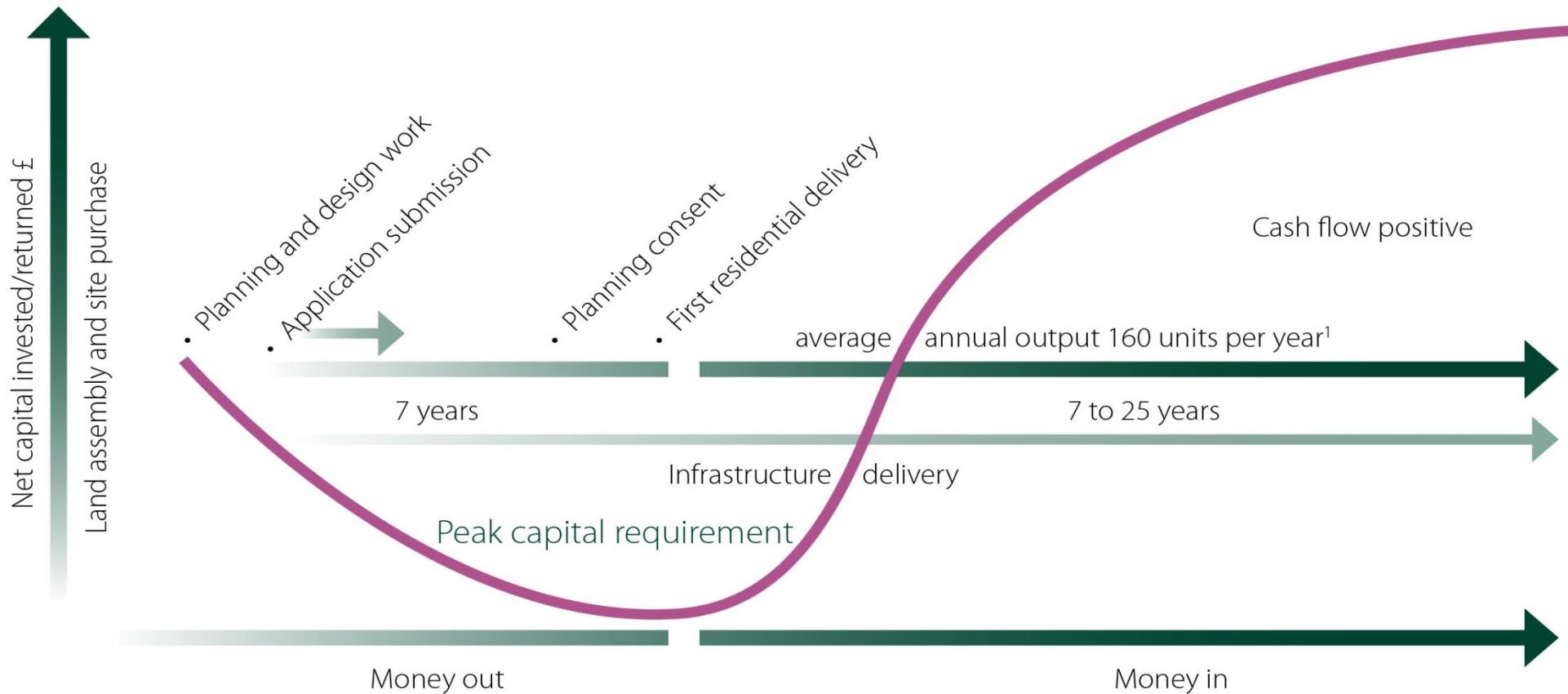
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+ Long Dated Enabling Capital

Economics and impacts

U&C



¹ 2,000 unit schemes and above Lichfields "Start to Finish" November 2016

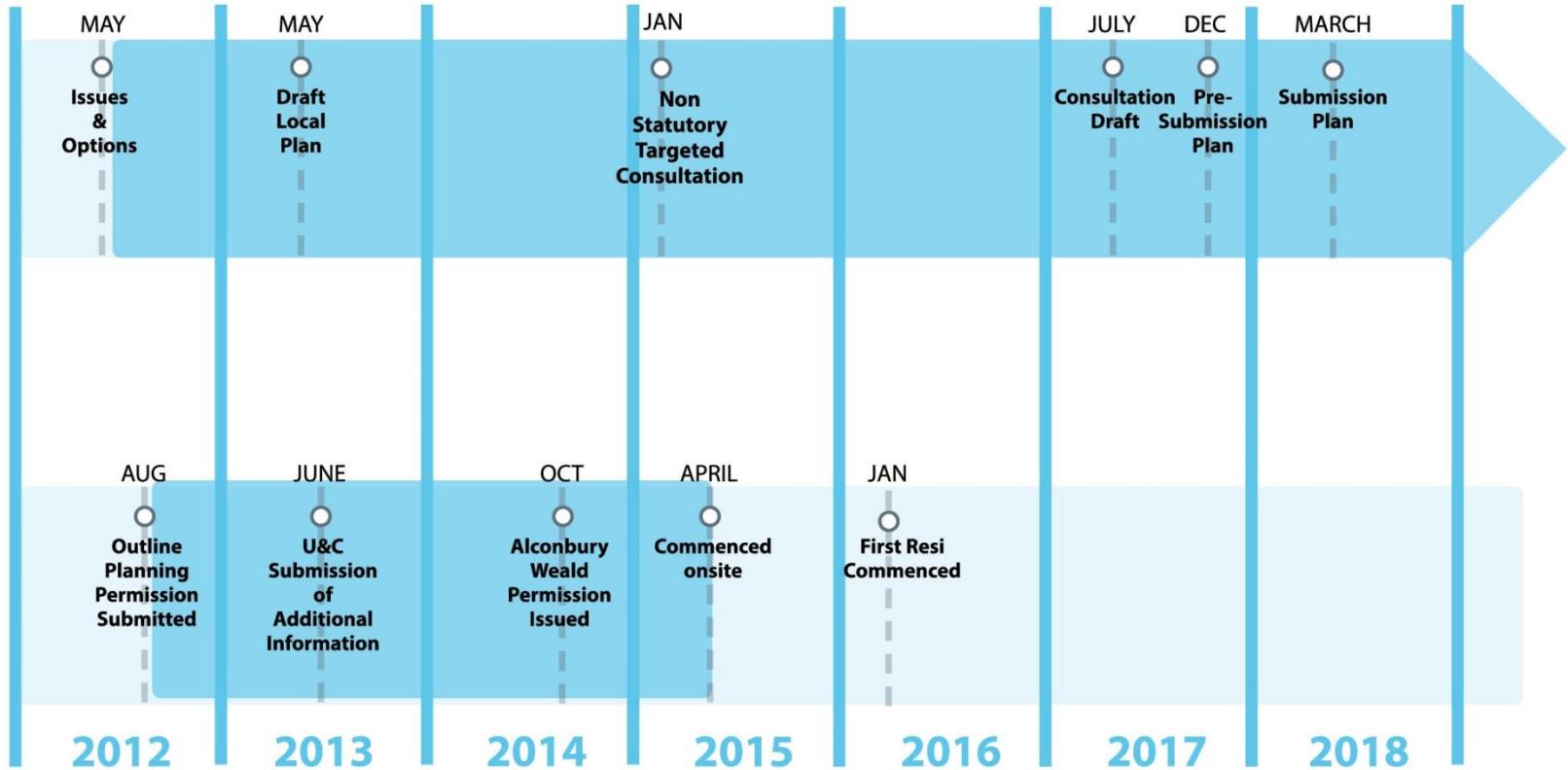
Top down or bottom up

U&C



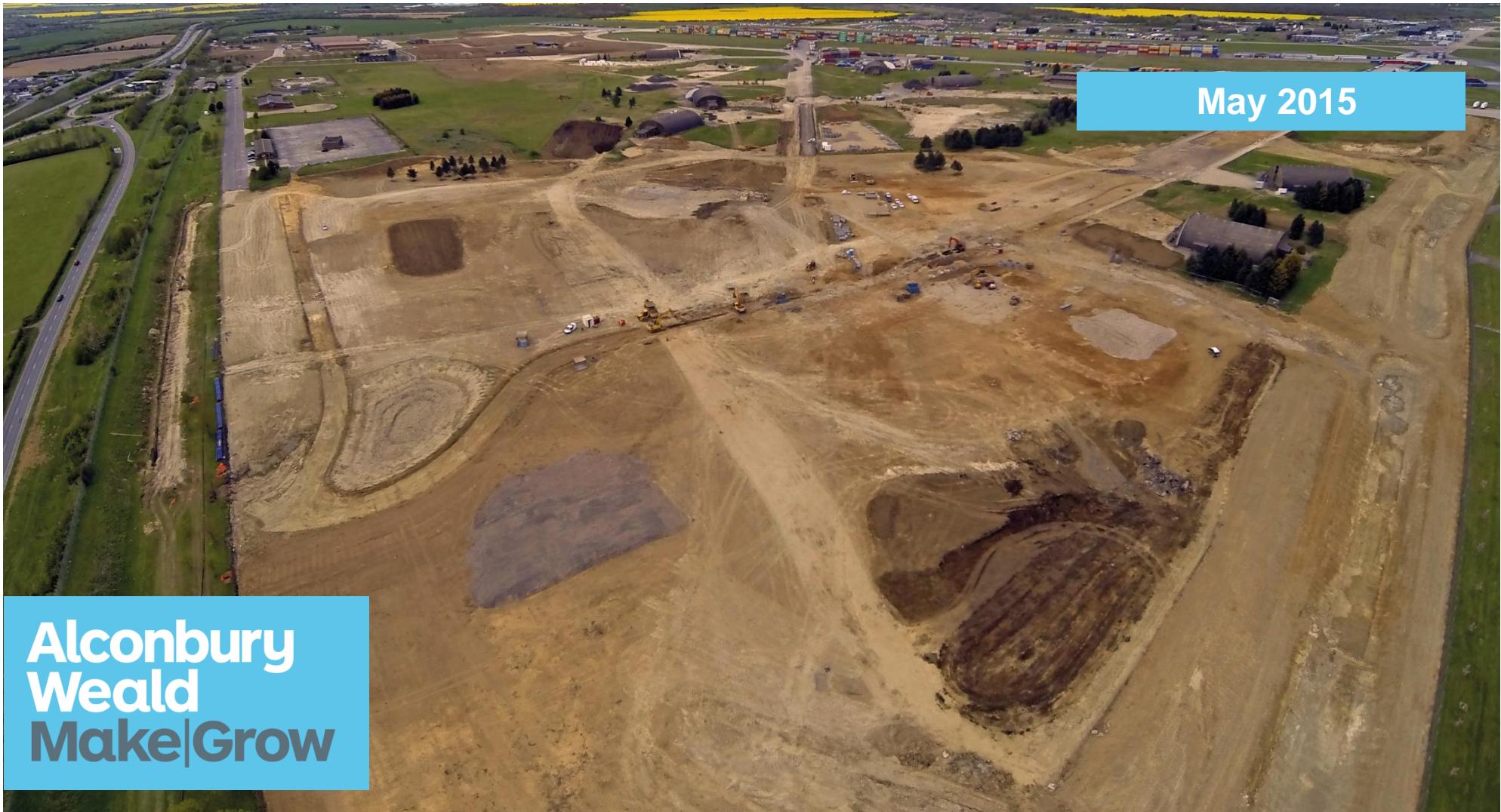
Local Plan

Alconbury Weald
Make|Grow
Planning Application



“But will it ever happen?”

U&C



Alconbury
Weald
Make|Grow

Seeing is believing

U&C



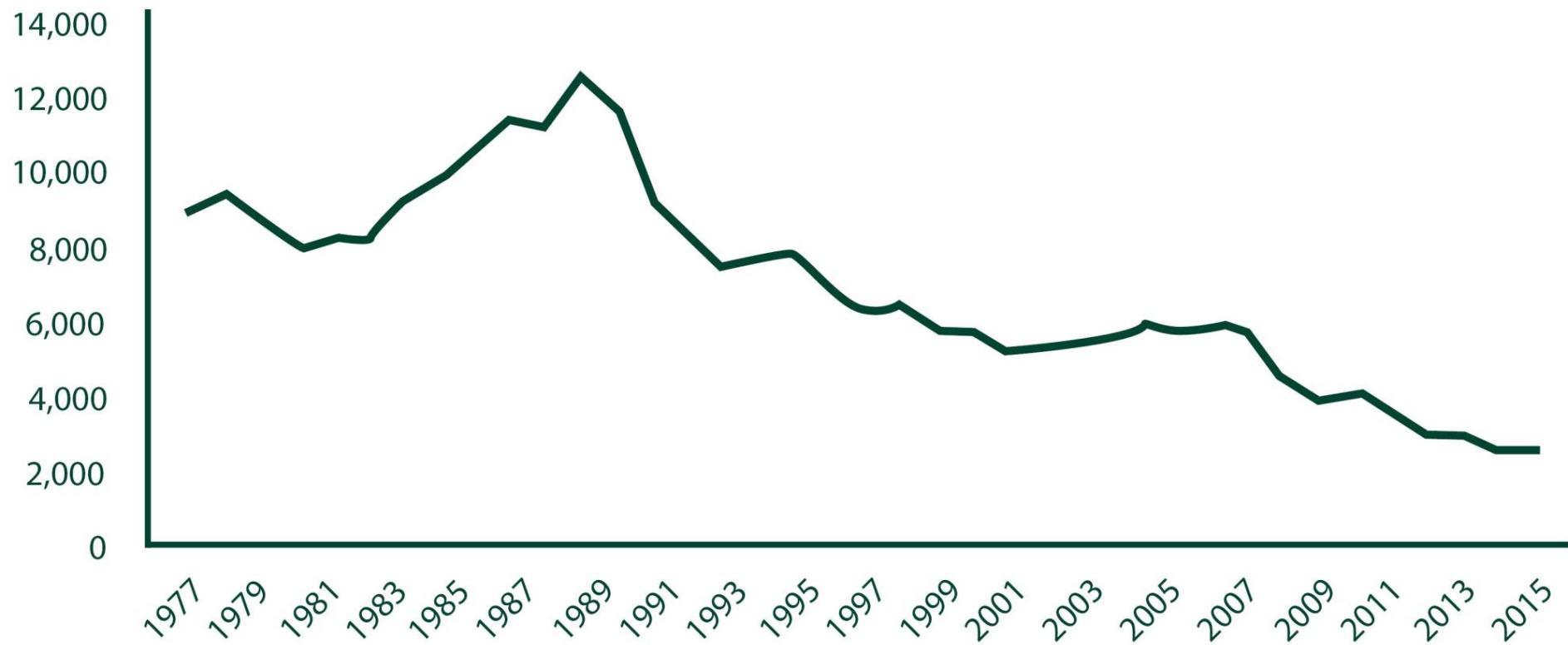
Establishing shared platform

U&C



To support SME housebuilders

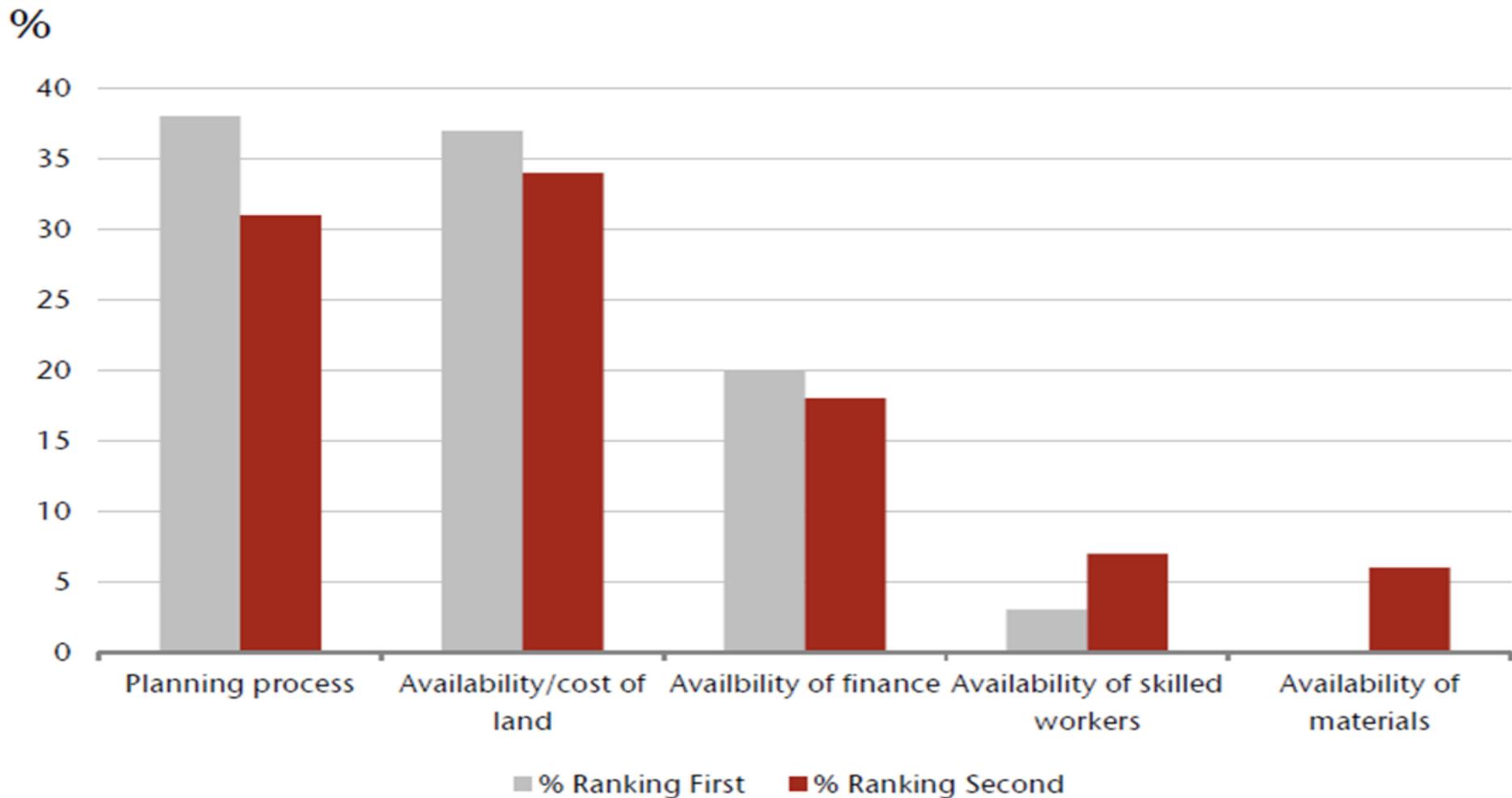
U&C



Source – HBF Number of Housebuilders up to 100 units per year

who are struggling to compete

U&C



Source – NHBC

To support jobs and skills

U&C



by working in partnership

U&C



To deliver on our promises

U&C



and help build communities

U&C



Whilst not forgetting the environment

U&C



Local Housing Need

The standardised methodology
Councillor Briefing

January 2018

www.local.gov.uk/pas

Content

- Context
- The calculation
- The transitional arrangements
- Issues / thoughts



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

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

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

The Rt Hon Theresa May MP





Introduction

Closed consultation

Planning for the right homes in the right places: consultation proposals

Summary

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

This consultation ran from

9:30am on 14 September 2017 to 11:45pm on 9 November 2017

This is a consultation

We will have to wait for the NPPF to find out if / how it is going to happen



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

Takes forward housing White Paper commitments

Key proposals include:

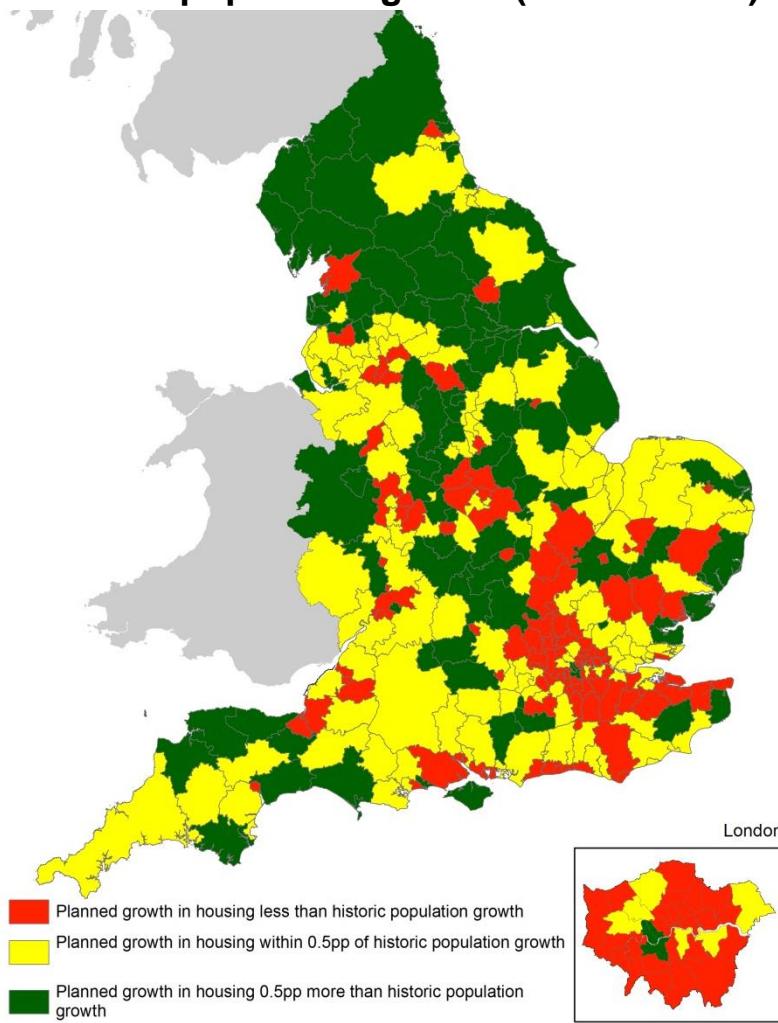
1. Standard approach to calculating local housing need
2. Supporting neighbourhood planning
3. Introducing a statement of common ground
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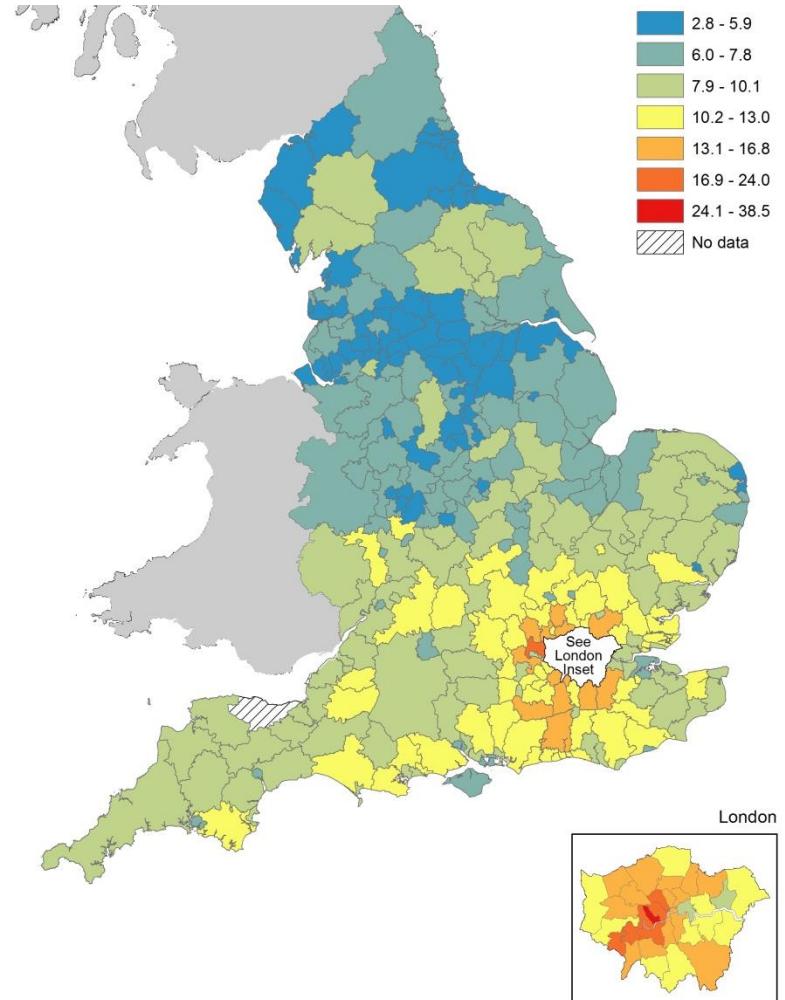
Department for
Communities and
Local Government

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

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

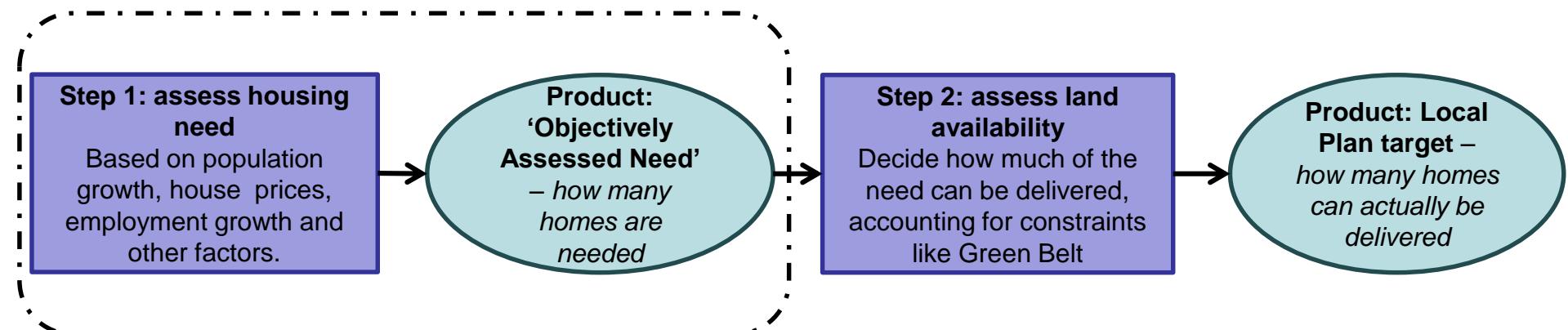


Ratio of average house price to average earnings





Current approach is not working effectively Can create significant delays in plan preparation



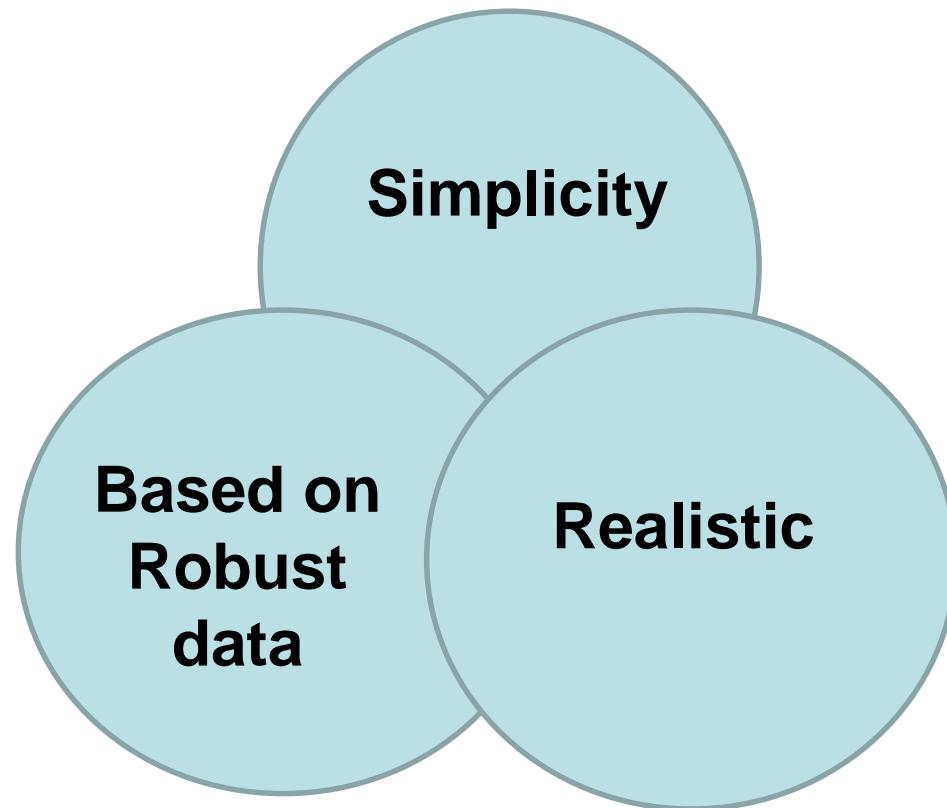
Local Plan Expert Group report highlighted a number of problems with the current approach for preparing Strategic Housing Market Assessment.

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

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



A new consistent streamlined approach Based on three key principles





New approach consists of three components

Seeks to reflect market signals

Household Projections (the baseline)



Adjustment for Affordability

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



Cap level of uplift

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



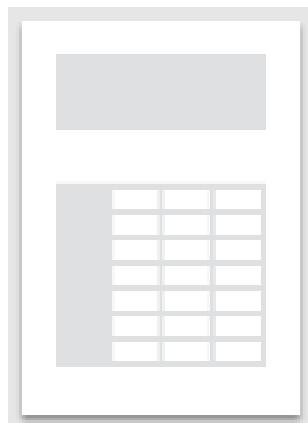
Transitional Arrangements

Effects depend on location and current status of Local Plans

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

Housing need data table

- Published as part of the consultation package
- Numbers !
- But understood to be a “before” and “after” summary of the impact of proposal



[Housing need consultation data table](#)

[MS Excel Spreadsheet, 81.4KB](#)

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

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

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

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

New housebuilding targets?

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



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

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

Can we explain this table to the Herts Advertiser ?

| ONS Code | Local Authority | Indicative assessment of housing need based on proposed formula, 2016 to 2026 <i>(dwellings per annum)</i> | Current local assessment of housing need, based on most recent publicly available document <i>(dwellings per annum)</i> |
|-----------|-------------------------|---|--|
| E07000213 | Spelthorne | 590 | 552 - 757 |
| E07000240 | St Albans | 913 | 639 |
| E07000204 | St Edmundsbury | 446 | 550 |
| E08000013 | St Helens | 504 | 451 |
| E07000197 | Stafford | 424 | 500 |
| E07000198 | Staffordshire Moorlands | 193 | 235 - 330 |
| E07000243 | Stevenage | 443 | 380 |
| E08000007 | Stockport | 1,078 | 1,011 |
| E06000004 | Stockton-on-Tees | 533 | 600 |
| E06000021 | * Stoke on Trent | 487 | 804 |
| E07000221 | Stratford on Avon | 588 | 724 |
| E07000082 | Stroud | 635 | 448 |
| E07000205 | Suffolk Coastal | 495 | 460 |
| F08000024 | Sunderland | 593 | 768 |

- $639 \text{ to } 913 = 43\% \text{ increase (not double)}$
- But what are these two numbers ?

Our handout

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

| Data Sources | Source | Link |
|--|--------------------------------|---|
| Median Affordability Ratios, workplace based 2014 based household projections | Office for National Statistics | https://www.ons.gov.uk/peoplepopulationsandhouseholds/populationandhouseholdprojections/medianaffordabilityratiosbasedonworkplacebasedhouseholdprojectionsfor2014 |
| National Park boundaries | Natural England | http://naturalengland-defra.opendata.arcgis.com/datasets/national-parks-boundaries |
| Areas of Outstanding Natural Beauty boundaries | Natural England | http://naturalengland-defra.opendata.arcgis.com/datasets/areas-of-outstanding-natural-beauty-boundaries |
| Sites of Special Scientific Interest boundaries | Natural England | http://naturalengland-defra.opendata.arcgis.com/datasets/sites-of-special-scientific-interest-boundaries |
| Green Belt boundary | DCLG | - |

ONS median affordability ratios

- The latest figure

| council | year2010 | year2011 | year2012 | year2013 | year2014 | year2015 | year2016 |
|------------------------------|----------|----------|----------|----------|----------|----------|----------|
| Middlesbrough | 4.99 | 4.66 | 4.26 | 4.48 | 5.01 | 5.01 | 5.01 |
| Northumberland | 6.30 | 6.36 | 5.87 | 6.04 | 6.49 | 6.50 | 6.11 |
| Salford | 4.80 | 4.33 | 4.30 | 4.33 | 4.48 | 4.60 | 5.06 |
| Stockport | 6.39 | 5.99 | 5.88 | 5.89 | 6.71 | 6.87 | 7.17 |
| Preston | 4.71 | 5.02 | 5.35 | 5.04 | 5.33 | 5.08 | 4.81 |
| Rotherham | 5.00 | 4.84 | 5.11 | 5.14 | 5.16 | 5.08 | 5.26 |
| Sheffield | 5.45 | 5.17 | 5.00 | 4.87 | 5.18 | 5.28 | 5.22 |
| Harborough | 7.74 | 7.55 | 7.84 | 7.52 | 8.04 | 8.90 | 9.00 |
| South Northamptonshire | 8.12 | 7.82 | 9.11 | 8.46 | 8.55 | 9.83 | 11.00 |
| Stoke-on-Trent | 3.85 | 3.75 | 3.81 | 3.80 | 4.13 | 4.12 | 4.21 |
| Telford and Wrekin | 6.20 | 6.14 | 5.78 | 5.71 | 5.83 | 5.61 | 6.00 |
| Worcester | 6.36 | 6.65 | 6.48 | 6.59 | 6.69 | 7.02 | 6.95 |
| Luton | 5.70 | 5.71 | 6.08 | 5.93 | 6.40 | 6.35 | 7.36 |
| Cambridge | 8.76 | 8.65 | 9.44 | 9.61 | 11.39 | 12.55 | 12.97 |
| Fenland | 6.64 | 5.64 | 5.49 | 5.57 | 5.76 | 6.15 | 6.57 |
| South Cambridgeshire | 7.17 | 7.82 | 7.41 | 7.74 | 7.80 | 9.15 | 10.12 |
| Colchester | 7.03 | 7.26 | 7.21 | 7.42 | 7.54 | 8.36 | 8.71 |
| Three Rivers | 8.75 | 9.31 | 10.01 | 10.28 | 11.29 | 13.14 | 13.42 |
| Islington | 10.77 | 11.25 | 11.05 | 11.92 | 13.61 | 15.69 | 15.00 |
| Barking and Dagenham | 5.85 | 6.03 | 5.19 | 5.54 | 6.27 | 7.12 | 8.81 |
| East Hampshire | 9.90 | 10.27 | 10.46 | 11.41 | 11.80 | 11.55 | 12.32 |
| Havant | 7.67 | 6.95 | 6.77 | 6.74 | 8.32 | 8.11 | 8.88 |
| Elmbridge | 12.73 | 12.42 | 12.56 | 13.31 | 14.28 | 14.81 | 15.39 |
| Epsom and Ewell | 10.18 | 10.72 | 9.95 | 11.46 | 14.60 | 14.91 | 16.18 |
| Chichester | 10.62 | 11.05 | 10.49 | 11.11 | 11.51 | 12.37 | 12.22 |
| Bath and North East Somerset | 8.87 | 9.13 | 9.13 | 8.90 | 9.48 | 9.98 | 10.51 |
| Mid Devon | 8.15 | 7.97 | 7.84 | 8.49 | 8.00 | 8.82 | 8.67 |
| Forest of Dean | 8.22 | 7.86 | 7.63 | 7.25 | 7.08 | 8.05 | 8.24 |
| South Somerset | 7.83 | 7.22 | 7.00 | 7.01 | 7.19 | 7.75 | 7.93 |
| West Dorset, Weymouth and | 9.37 | 9.04 | 8.69 | 8.31 | 8.24 | 9.14 | 9.48 |

ONS household projections

- $(2026-2016)/10*10000$
- ONS only recently took ownership
- They began with a technical consultation on their methodology
- “blind” to HS2 etc (?)

| council | year 2016 | year 2026 | household/yr |
|----------------------------|-----------|-----------|--------------|
| Barking and Dagenham | 77.025 | 93.086 | 1,606.100 |
| Bath and North East Somers | 76.313 | 80.765 | 445.200 |
| Cambridge | 49.783 | 53.945 | 416.200 |
| Chichester | 51.787 | 56.951 | 516.400 |
| Colchester | 76.816 | 85.277 | 846.100 |
| East Hampshire | 49.161 | 53.222 | 406.100 |
| Elmbridge | 54.254 | 58.623 | 436.900 |
| Epsom and Ewell | 31.764 | 35.897 | 413.300 |
| Fenland | 42.909 | 47.308 | 439.900 |
| Forest of Dean | 35.809 | 38.743 | 293.400 |
| Harborough | 37.179 | 41.306 | 412.700 |
| Havant | 52.884 | 56.434 | 355.000 |
| Islington | 105.771 | 124.224 | 1,845.300 |
| Luton UA | 80.504 | 92.217 | 1,171.300 |
| Mid Devon | 34.116 | 36.946 | 283.000 |
| Middlesbrough UA | 58.278 | 60.790 | 251.200 |
| Northumberland UA | 141.528 | 147.774 | 624.600 |
| Preston | 58.439 | 60.579 | 214.000 |
| Rotherham | 110.930 | 116.427 | 549.700 |
| Salford | 111.088 | 124.076 | 1,298.800 |
| Sheffield | 239.467 | 258.918 | 1,945.100 |
| South Cambridgeshire | 64.255 | 72.802 | 854.700 |
| South Northamptonshire | 36.782 | 40.540 | 375.800 |
| South Somerset | 72.712 | 78.601 | 588.900 |
| Stockport | 125.949 | 134.947 | 899.800 |
| Stoke-on-Trent UA | 109.311 | 114.117 | 480.600 |
| Telford and Wrekin UA | 69.400 | 74.331 | 493.100 |
| Three Rivers | 37.142 | 41.497 | 435.500 |
| West Dorset, Weymouth and | 75.046 | 80.733 | 568.700 |
| Worcester | 42.729 | 47.001 | 326.200 |

Do the maths ...

- Page 10 & 11
- Without transition

$$\text{Adjustment factor} = \frac{\text{Local affordability ratio} - 4}{4} \times 0.25$$

22. The overall housing need figure is therefore as follows:

$$\text{Local Housing Need} = (1 + \text{adjustment factor}) \times \text{projected household growth}$$

| Council | median earnings to med useprice | adjustment factor | Projected household growth | Local Housing Need | Local Housing Need cap 20% |
|-------------------------|------------------------------------|-------------------|----------------------------|--------------------|-------------------------------|
| Barking & Dagenham | 8.8 | 0.3 | 112 | 146 | 146 |
| Bath & North East Somer | 10.5 | 0.4 | 87 | 122 | 122 |
| Cambridge | 13.0 | 0.6 | 60 | 93 | 83 |
| Chichester | 12.2 | 0.5 | 64 | 97 | 89 |
| Colchester | 8.7 | 0.3 | 95 | 123 | 123 |
| East Hampshire | 12.3 | 0.5 | 58 | 88 | 81 |
| Elmbridge | 15.4 | 0.7 | 65 | 111 | 90 |
| Epsom and Ewell | 16.2 | 0.8 | 41 | 72 | 57 |
| Fenland | 6.6 | 0.2 | 53 | 61 | 61 |
| Forest of Dean | 8.2 | 0.3 | 42 | 53 | 53 |
| Harborough | 9.0 | 0.3 | 46 | 60 | 60 |
| Havant | 8.9 | 0.3 | 61 | 80 | 80 |
| Islington | 15.0 | 0.7 | 143 | 242 | 201 |
| Luton | 7.4 | 0.2 | 106 | 129 | 129 |
| Mid Devon | 8.7 | 0.3 | 40 | 52 | 52 |
| Middlesbrough | 5.0 | 0.1 | 64 | 68 | 68 |
| Northumberland | 6.1 | 0.1 | 153 | 173 | 173 |
| Preston | 4.8 | 0.1 | 64 | 67 | 67 |
| Rotherham | 5.3 | 0.1 | 122 | 132 | 132 |
| Salford | 5.1 | 0.1 | 140 | 149 | 149 |
| Sheffield | 5.2 | 0.1 | 284 | 305 | 305 |
| South Cambridgeshire | 10.1 | 0.4 | 82 | 113 | 113 |
| South Northamptonshire | 11.0 | 0.4 | 45 | 65 | 63 |
| South Somerset | 7.9 | 0.2 | 85 | 106 | 106 |
| Stockport | 7.2 | 0.2 | 145 | 174 | 174 |
| Stoke on Trent | 4.2 | 0.0 | 120 | 122 | 122 |
| Telford and Wrekin | 6.0 | 0.1 | 79 | 89 | 89 |
| Three Rivers | 13.4 | 0.6 | 47 | 75 | 66 |
| West Dorset, Weymouth | 9.5 | 0.3 | 88 | 118 | 118 |
| Worcester | 7.0 | 0.2 | 51 | 60 | 60 |

Handout ...

| Council | median earnings to median house price | | | Projected household growth | | | plan date | plan age at April 18 | plan target | plan target + 40% | current | proposed | note |
|----------------------------|---------------------------------------|-----|------|----------------------------|------------------------|---|------------|----------------------|-------------|-------------------|-----------|----------|-----------|
| | ↓ | ↑ | ↓ | Local Housing Need | Local Housing Need cap | % | | | | | | | |
| Barking & Dagenham | 8.8 | 0.3 | 1606 | 2089 | 2089 | - | 21/07/2010 | more 5 years | 1190 | 1666 | 1264 | 2089 | |
| Bath & North East Somerset | 10.5 | 0.4 | 445 | 626 | 623 | - | 10/07/2014 | less 5 years | 722 | 1011 | 720 | 626 | mistake ? |
| Cambridge | 13.0 | 0.6 | 416 | 650 | 583 | - | | no plan | No ado | 0 | 700 | 583 | |
| Chichester | 12.2 | 0.5 | 516 | 782 | 723 | - | 01/07/2015 | less 5 years | 435 | 609 | 505 | 609 | plan +40% |
| Colchester | 8.7 | 0.3 | 846 | 1095 | 1095 | - | 11/12/2008 | more 5 years | 843 | 1180 | 920 | 1095 | |
| East Hampshire | 12.3 | 0.5 | 406 | 617 | 569 | - | 01/06/2014 | less 5 years | 492 | 689 | 520 - 610 | 617 | mistake ? |
| Elmbridge | 15.4 | 0.7 | 437 | 748 | 612 | - | 01/07/2011 | more 5 years | 225 | 315 | 474 | 612 | |
| Epsom and Ewell | 16.2 | 0.8 | 413 | 728 | 579 | - | 01/07/2007 | more 5 years | 181 | 253 | 418 | 579 | |
| Fenland | 6.6 | 0.2 | 440 | 511 | 511 | - | 08/05/2014 | less 5 years | 550 | 770 | 600 | 511 | |
| Forest of Dean | 8.2 | 0.3 | 293 | 371 | 371 | - | 23/02/2012 | more 5 years | 310 | 434 | 256 - 338 | 371 | |
| Harborough | 9.0 | 0.3 | 413 | 542 | 542 | - | 14/11/2011 | more 5 years | 350 | 490 | 532 | 542 | |
| Havant | 8.9 | 0.3 | 355 | 463 | 463 | - | 01/03/2011 | more 5 years | 315 | 441 | 450 | 463 | |
| Islington | 15.0 | 0.7 | 1845 | 3114 | 2583 | - | 17/02/2011 | more 5 years | 1264 | 1770 | 1150 | 2583 | |
| Luton | 7.4 | 0.2 | 1171 | 1417 | 1417 | - | | no plan | No ado | 0 | 890 | 1417 | |
| Mid Devon | 8.7 | 0.3 | 283 | 366 | 366 | - | 01/07/2007 | more 5 years | 340 | 476 | 359 - 381 | 366 | |
| Middlesbrough | 5.0 | 0.1 | 251 | 267 | 267 | - | 01/11/2014 | less 5 years | 410 | 574 | 422 | 267 | |
| Northumberland | 6.1 | 0.1 | 625 | 707 | 707 | - | | no plan | No ado | 0 | 830 | 707 | |
| Preston | 4.8 | 0.1 | 214 | 225 | 225 | - | 05/07/2012 | more 5 years | 507 | 710 | 615 | 225 | |
| Rotherham | 5.3 | 0.1 | 550 | 593 | 593 | - | 10/09/2014 | less 5 years | 958 | 1341 | 900 | 593 | |
| Salford | 5.1 | 0.1 | 1299 | 1385 | 1385 | - | | no plan | No ado | 0 | 1502 | 1385 | |
| Sheffield | 5.2 | 0.1 | 1945 | 2093 | 2093 | - | 04/03/2009 | more 5 years | 1352 | 1893 | 1748 | 2093 | |
| South Cambridgeshire | 10.1 | 0.4 | 855 | 1182 | 1182 | - | 25/01/2007 | more 5 years | 1176 | 1646 | 967 | 1182 | |
| South Northamptonshire | 11.0 | 0.4 | 376 | 540 | 526 | - | 15/12/2014 | less 5 years | 351 | 491 | 400 | 491 | plan +40% |
| South Somerset | 7.9 | 0.2 | 589 | 734 | 734 | - | 05/03/2015 | less 5 years | 725 | 1015 | 547 - 607 | 734 | |
| Stockport | 7.2 | 0.2 | 900 | 1078 | 1078 | - | 17/03/2011 | more 5 years | 495 | 693 | 1011 | 1078 | |
| Stoke on Trent | 4.2 | 0.0 | 481 | 487 | 487 | - | 01/10/2009 | more 5 years | 570 | 798 | 804 | 487 | |
| Telford and Wrekin | 6.0 | 0.1 | 493 | 555 | 555 | - | | no plan | No ado | 0 | 497 | 555 | |
| Three Rivers | 13.4 | 0.6 | 436 | 692 | 610 | - | 17/10/2011 | more 5 years | 180 | 252 | 514 | 610 | |
| West Dorset, Weymouth | 9.5 | 0.3 | 569 | 763 | 763 | - | 23/10/2015 | less 5 years | 775 | 1085 | 775 | 780 | ? |
| Worcester | 7.0 | 0.2 | 336 | 398 | 398 | - | 01/02/2016 | less 5 years | 283 | 396 | 410 | 396 | plan +40% |

Local Housing Need - remember

- It is a starting point
 - For free !
 - Still needs work to turn it into a plan figure
 - Apply capacity / constraints / ambition
 - The published data table looks like a before / after
 - But it isn't ! [the before is a SHMA / LP figure]
 - How will it work in Mayoral areas ?
 - Same method ? Distribution ?
-

Local Housing Need - issues

- “Planning by spreadsheet”
 - Market signals = reinforce regional difference?
 - Will it still add up to 277k when capacity constraints applied ?
 - Hint: no, it won’t
 - What does a “stronger emphasis” on meeting requirements amount to ?
 - Reopen debate about growth & ambition?
 - Ceiling or floor ?
-

Local Housing Need - councillors

- Know your numbers
 - And know your “story”
- Statement of common ground
 - Politics ?
- “.. a system that is clear and transparent so that every community and local area understands the scale of the housing challenge they face”





Questions?

Email pas@local.gov.uk

Web www.local.gov.uk/pas

Phone **020 7664 3000**

Twitter **@Pas_Team**

Coffee – 15 mins

The Housing Delivery Test

Councillors Briefing

January 2018

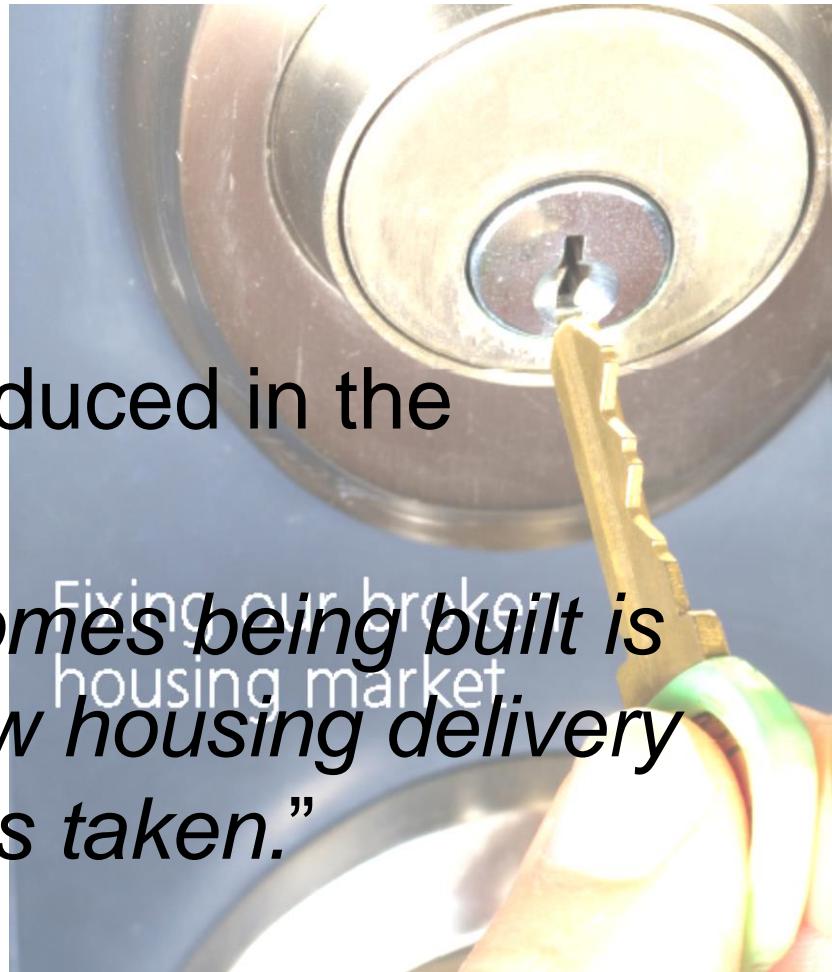
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Today

1. Context
 2. The Housing Delivery Test ('HDT')
 3. Consequences
 4. My thoughts (as stolen from practitioners)
 5. Key questions
-

1. Context

- Housing Delivery Test introduced in the Housing White Paper
- *“... where the number of homes being built is below expectations, the new housing delivery test will ensure that action is taken.”*
- Holding developers to account for the delivery of new homes through better and more transparent data and sharper tools to drive up delivery; and
- Holding local authorities to account through a new housing delivery test.



1. Context (HWP contd)

2.47 Having given local authorities stronger tools to ensure developers build homes quickly, the Government will introduce **a new housing delivery test to ensure that local authorities and wider interests are held accountable for their role in ensuring new homes are delivered in their area**. This test will highlight whether the number of homes being built is below target, provide a mechanism for establishing the reasons why, and where necessary trigger policy responses that will ensure that further land comes forward. The first assessment period will be for financial years April 2014 – March 2015 to April 2016 – March 2017.

1. Context (HWP contd)

2.48 To transition to a housing delivery test we propose to use an area's local plan (or, where relevant, **the figure in the London Plan or a statutory Spatial Development Strategy**) where it is up-to-date (**less than 5 years old**) to establish the appropriate baseline for assessing delivery. If there is no up-to-date plan we propose using published household projections for the years leading up to, and including, April 2017 - March 2018 and from the financial year April 2018 - March 2019, subject to consultation, the **new standard methodology** for assessing housing need.

1. Context (HWP contd)

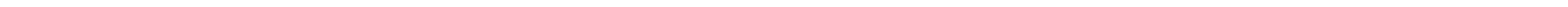
2.49 In line with responses to our previous consultation, housing delivery will be measured using the National Statistic for net additional dwellings over a rolling three year average. Where under-delivery is identified, the Government proposes a **tiered approach** to addressing the situation that would be set out in national policy and guidance, starting with an analysis of the causes so that appropriate action can be taken:

2. The Housing Delivery Test

numerator **Delivery**



denominator **Target**



2. The Housing Delivery Test?

Delivery



[Table 122: housing supply; net additional dwellings, by local authority district, England 2001-02 to 2016-17](#)

[MS Excel Spreadsheet, 165KB](#)

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

Target



[Housing need consultation data table](#)

[MS Excel Spreadsheet, 81.4KB](#)

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2. The Housing Delivery Test - numerator

- Numerator = LT122 from ONS
 - HFR measure the absolute increase in stock between one year and the next, including other losses and gains (such as conversions, changes of use and **demolitions**)
 - There are weaknesses and inconsistencies
 - Eg how to count sheltered units (C2)
 - Eg definitions of “dwelling” vary between 5yrLS and LT122
 - It hasn’t mattered much til now
-

ONS households

- Average of latest 3 years to try and smooth
- Published each November for previous year

| council | year201 | year201 | year201 | year201 | year201 | year201 | delivery |
|---------------------------|---------|---------|---------|---------|---------|---------|---|
| Barking and Dagenham | 506 | 731 | 514 | 732 | 596 | 614 |  |
| Bath and North East S | 550 | 548 | 631 | 809 | 871 | 770.3 |  |
| Cambridge | 484 | 1298 | 715 | 884 | 1178 | 925.7 |  |
| Chichester | 298 | 229 | 461 | 580 | 564 | 535 |  |
| Colchester | 617 | 716 | 731 | 933 | 912 | 858.7 |  |
| East Hampshire | 341 | 363 | 546 | 406 | 484 | 478.7 |  |
| Elmbridge | 256 | 251 | 250 | 240 | 267 | 252.3 |  |
| Epsom and Ewell | 517 | 231 | 200 | 159 | 307 | 222 |  |
| Fenland | 319 | 338 | 605 | 269 | 413 | 429 |  |
| Forest of Dean | 230 | 343 | 372 | 303 | 247 | 307.3 |  |
| Harborough | 295 | 346 | 496 | 636 | 468 | 533.3 |  |
| Havant | 249 | 200 | 492 | 584 | 649 | 575 |  |
| Islington | 919 | 1,243 | 498 | 1,027 | 674 | 733 |  |
| Luton UA | 351 | 187 | 190 | 624 | 798 | 537.3 |  |
| Mid Devon | 333 | 334 | 331 | 352 | 326 | 336.3 |  |
| Middlesbrough UA | 286 | 172 | 678 | 557 | 536 | 590.3 |  |
| Northumberland UA | 621 | 559 | 1447 | 991 | 1531 | 1323 |  |
| Preston | 100 | 161 | 515 | 484 | 804 | 601 |  |
| Rotherham | 509 | 553 | 633 | 585 | 605 | 607.7 |  |
| Salford | 549 | 843 | 975 | 1098 | 2482 | 1518 |  |
| Sheffield | 761 | 917 | 1765 | 1589 | 2248 | 1867 |  |
| South Cambridgeshire | 587 | 636 | 869 | 671 | 545 | 695 |  |
| South Northamptonshire | 226 | 333 | 343 | 465 | 681 | 496.3 |  |
| South Somerset | 457 | 542 | 779 | 615 | 623 | 672.3 |  |
| Stockport | 375 | 373 | 431 | 323 | 660 | 471.3 |  |
| Stoke-on-Trent UA | 277 | 488 | 515 | 445 | 748 | 569.3 |  |
| Telford and Wrekin UA | 607 | 842 | 1074 | 1255 | 1148 | 1159 |  |
| Three Rivers | 176 | 147 | 285 | 216 | 144 | 215 |  |
| Worcester | 141 | 282 | 462 | 611 | 472 | 515 |  |
| et, Weymouth and Portland | 415 | 395 | 671 | 772 | 612.7 | |  |

2. The Housing Delivery Test - denominator

- Denominator = new LHN ?
- Or a plan target ?
- Or a stretch target above plan?
- Remember this number can bounce around
 - Especially when you plan turns 5
- Should ambitious councils go higher if it means they might be “punished” ?
 - Will members take LHN as a ceiling ?

3. Consequences

- Result = actual / baseline
- A tiered approach:

| Consequence | Nov-17 | Nov-18 | Nov-19 | Nov-20 |
|-------------|--------|--------|--------|--------|
| action plan | 95% | 95% | 95% | 95% |
| 20% buffer | 85% | 85% | 85% | 85% |
| Presumption | n/a | 25% | 45% | 65% |

3. Consequences

- [The govt will consult on] “strengthening the Housing Delivery Test with tougher consequences where planned homes are not being built, by setting the threshold at which the presumption in favour of development applies at 75% of housing delivery by 2020”

| Consequence | Nov-17 | Nov-18 | Nov-19 | Nov-20 |
|-------------|--------|--------|--------|--------|
| action plan | 95% | 95% | 95% | 95% |
| 20% buffer | 85% | 85% | 85% | 85% |
| Presumption | n/a | 25% | 45% | 75% |

3. Consequences

| Row Labels | pass | action plan | buffer + A | presumpti | #N/A | Grand Tot | pass rate |
|--------------------|------------|-------------|------------|-----------|----------|------------|------------|
| NE England | 10 | | 2 | | | 12 | 83% |
| York & Hum | 15 | | 6 | | | 21 | 71% |
| W. Midlands | 21 | 3 | 6 | | | 30 | 70% |
| SW England | 21 | 3 | 8 | | 1 | 33 | 64% |
| E. Midlands | 23 | 6 | 8 | | | 37 | 62% |
| NW England | 24 | | 14 | | 1 | 39 | 62% |
| SE England | 21 | 6 | 39 | 1 | | 67 | 31% |
| E. England | 14 | 4 | 29 | | | 47 | 30% |
| London | 4 | 1 | 25 | 3 | | 33 | 12% |
| Grand Total | 153 | 23 | 137 | 4 | 5 | 322 | 48% |

- 28% to 267%
- No carrots
- Only sticks

| Council | Local Housing Need capped at 40% | proposed | delivery | as % proposed | consequence | as % LHN | consequence |
|------------------------------------|----------------------------------|----------|----------|---------------|-------------|----------|-------------|
| Barking & Dagenham | 2089 | 2089 | 614 | 29% | buffer + AP | | |
| Bath & North East Somerset | 623 | 626 | 770 | 123% | pass | 124% | pass |
| Cambridge | 583 | 583 | 926 | 159% | pass | | |
| Chichester | 723 | 609 | 535 | 88% | action plan | 74% | buffer + AP |
| Colchester | 1095 | 1095 | 859 | 78% | buffer + AP | | |
| East Hampshire | 569 | 617 | 479 | 78% | buffer + AP | 84% | buffer + AP |
| Elmbridge | 612 | 612 | 252 | 41% | buffer + AP | | |
| Epsom and Ewell | 579 | 579 | 222 | 38% | buffer + AP | | |
| Fenland | 511 | 511 | 429 | 84% | buffer + AP | | |
| Forest of Dean | 371 | 371 | 307 | 83% | buffer + AP | | |
| Harborough | 542 | 542 | 533 | 98% | pass | | |
| Havant | 463 | 463 | 575 | 124% | pass | | |
| Islington | 2583 | 2583 | 733 | 28% | buffer + AP | | |
| Luton | 1417 | 1417 | 537 | 38% | buffer + AP | | |
| Mid Devon | 366 | 366 | 336 | 92% | action plan | | |
| Middlesbrough | 267 | 267 | 590 | 221% | pass | | |
| Northumberland | 707 | 707 | 1,323 | 187% | pass | | |
| Preston | 225 | 225 | 601 | 267% | pass | | |
| Rotherham | 593 | 593 | 608 | 102% | pass | | |
| Salford | 1385 | 1385 | 1,518 | 110% | pass | | |
| Sheffield | 2093 | 2093 | 1,867 | 89% | action plan | | |
| South Cambridgeshire | 1182 | 1182 | 695 | 59% | buffer + AP | | |
| South Northamptonshire | 526 | 491 | 496 | 101% | pass | 94% | action plan |
| South Somerset | 734 | 734 | 672 | 92% | action plan | | |
| Stockport | 1078 | 1078 | 471 | 44% | buffer + AP | | |
| Stoke on Trent | 487 | 487 | 569 | 117% | pass | | |
| Telford and Wrekin | 555 | 555 | 1,159 | 209% | pass | | |
| Three Rivers | 610 | 610 | 215 | 35% | buffer + AP | | |
| West Dorset, Weymouth and Portland | 763 | 780 | 613 | 79% | buffer + AP | 80% | buffer + AP |
| Worcester | 398 | 396 | 515 | 130% | pass | 129% | pass |

3. Consequences

- A “root cause analysis”
- An Action Plan
- We are doing some work to see what they look like
 - Hopefully not a new industry
 - Focus on outcomes not process

4. My* thoughts

1. The HDT won't be easy (or will it?)
2. It *is* a simple model
3. It *won't* work the same across England
4. Garbage in / garbage out
5. Narrative beyond spreadsheets
6. Councils can go beyond supply side thinking
7. This is unfair / stupid / undermines planning

* As stolen from workshop participants

4. My* thoughts

1. The HDT won't be easy (or will it?)

- Doing it properly will take resources, but this is not a “new burden”
 - See also brownfield register, 5 yr LS, AMR, LDS, plan reviews
... = opportunity cost
 - PPA and other discretionary charges don’t work for this. In fact the opposite.
 - Most councils don’t think there is much they can do (that they haven’t already done)
 - “Lip service” approach ?
-

4. My* thoughts

2. It *is* a simple model

- open, free datasets
 - Simple model of complex system = ?
 - Doesn't reflect "how hard councils have been trying", nor what drives affordability
 - No relationship to history / capacity / bricks / brickies
 - Let's not just chase numbers
-

4. My* thoughts

3. It *won't* work the same across England
 - Some councils already have the ‘penalties’
 - Some councils desperate to bring development forward
 - Other councils have a plan target much lower than the LHN
 - Differences even within mayoral areas
-

4. My* thoughts

4. Garbage in / garbage out

- Monitoring weaknesses exposed
 - Under reporting of C2 ?
 - Just too much work. Especially outside LDD.
- Different at plan stage / delivery stage
 - Reflecting the differences between land owners / promoters and builders ? Optimism bias ?

4. My* thoughts

5. Narrative beyond spreadsheets

- Opportunity to showcase work
 - Make link to members / across councils
 - Housing, ED, OPE
 - Clarity on what the issues *really* are
 - Where is land supply really the problem ?
 - Where is land price really the problem ?
 - Who are the villains ?
-

4. My* thoughts

6. Councils can go beyond supply side thinking
 - Councils can encourage demand too
 - Funding, promoting, linking to jobs
 - Councils can encourage more capacity
 - Matchmaking, JV, delivery companies
 - We are as strong as our weakest link, though
 - Investment will move to the easiest, safest place
-

4. My* thoughts

7. This is unfair / stupid / undermines planning

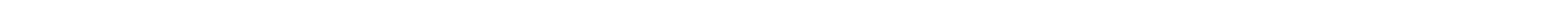
- Ignores macro economic forces
 - Mortgage, confidence
 - Ignores ambition / redistribution
 - Reinforces existing market strengths / weaknesses
 - Why just add 40% to an examined plan ?
 - Are we serious about planning or not ?
-

5. Key questions

- Where and what is “leverage” ?
 - How can councils influence delivery ?
 - Can industry support / resource this?
 - Without support this is going to sketchy
 - Is it in their interest for this to work ?
 - How much transparency is appropriate ?
 - See 5yrLS appeals / consistency of intervention
 - HDT is a new game
 - Unforeseen consequences ? Game playing ?
-

For councillors

- A “Delivery Group” or “Development Board”
 - Monitor, communicate, understand post consent
 - Councillors (maybe not planning committee members)
 - Relationships with developers !
- Expose failure (?)
 - County / utilities / agencies



For councillors

- Realism about trajectories
 - At last !
 - Do what you say in the Action Plan
 - So be pragmatic
 - Think long term
 - You may be over 100% now, but what about next year ?
 - Your 5 yr pipeline monitoring should allow you to predict with some certainty
-

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The Community Infrastructure Levy – Introduction and forthcoming reforms

Leadership Essentials

27th January 2018

www.local.gov.uk/pas

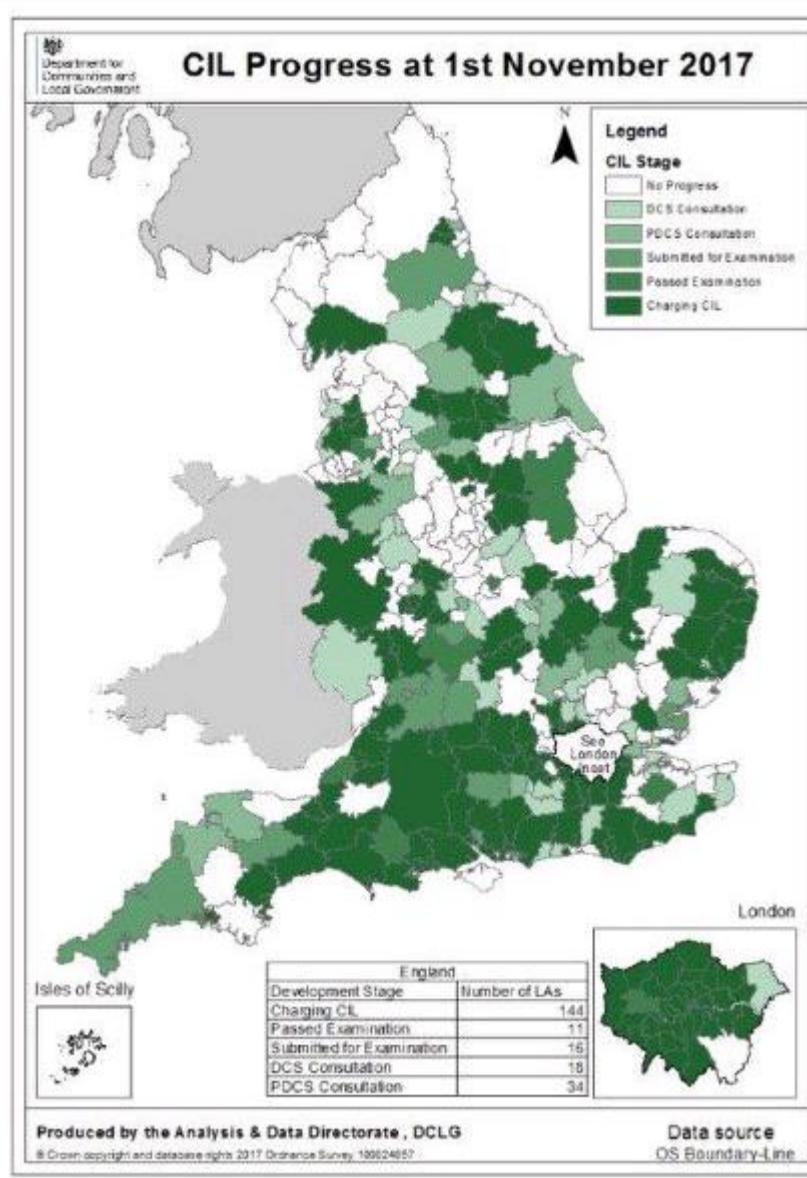
What are the key points on the Community Infrastructure Levy (CIL) that we will cover today?

- What CIL is and how it is applied to development
- Reflections based on experience of charge setting, collection and spend
- Some thoughts on the future of CIL – It's seemingly here to stay but how might it change?

CIL and its chequered history



Before we start - who has, or is in the process of, setting a CIL?



MHCLG November 2017 :

66% authorities are already charging or introducing the Community Infrastructure Levy.

Background - What is CIL?

- A **levy** that can be charged on most **new development** to be reinvested in infrastructure to **support development and growth**
- Charged **per square metre**, CIL has to be spent on the **provision, improvement, replacement, operation or maintenance of infrastructure**
- Rates **may vary** by geography, type of land use and scale
- **Replaces some – but not all – Section 106 planning obligations** (affordable housing/non-infrastructure remains outside the CIL regime)
- LA's **choice** to adopt CIL as a 'Charging Authority' but **consequences** if do not – loss of funding through Section 106
- Payment of CIL is **mandatory** although there are some **limited** opportunities for relief or exemption
- The **Mayor of London** also has powers to adopt a CIL – and has to help fund Crossrail. All London Boroughs are required to collect the Mayoral CIL.

What types of development are CIL chargeable?

Developments that are liable (the chargeable development) include:

- Schemes that include **new build additional floorspace of 100m² GIA or more** (includes new build from extensions and demolition and replacement) OR;
- Scheme comprising a **residential dwelling** or a **change of use** from any use (other than from a single dwelling) **to a residential dwelling**.
- If either of the above is triggered on a ‘general consent’ (e.g. permitted development) where triggered CIL would be liable.
- Existing / demolished floorspace **generally deductible** from the chargeable area – “**Lawful use test**”

Why develop a CIL?

- **Successful places need infrastructure** – quality infrastructure is essential to support sustainable development and sustainable economic growth.

“The levy is a tool for local authorities to help deliver infrastructure to support the development of the area”. (MHCLG Planning Practice Guidance, June 2014)
- CIL can be a **key component to an authorities strategy** to support development, growth, and deliver successful places.
- **All those benefiting from Infrastructure should make a fair contribution** - CIL secures contributions from developments large or small, all of which require excellent local infrastructure to support their delivery and operation.

What infrastructure can a CIL Fund?

- Charging authorities have the **flexibility to determine** what infrastructure should be funded through CIL.
- Infrastructure that **may be** funded from CIL should be published on a list ('**Regulation 123**' list)
- **R123 list Redefines Section 106 Planning Obligations** - restricted in use of S106 planning obligations for the same infrastructure projects, or types of infrastructure, that are on the R123 list.
- Unlike Section 106 CIL **can be spent anywhere** within or outside of the LA area
- A proportion of CIL raised in a neighbourhood **must be passed over or ring fenced** for spend on infrastructure or anything else that is required **to support the development of that neighbourhood**
- **Parish, Town and Community Council's** receive Neighbourhood CIL directly – In **unitary authorities** spend is by the authority in consultation with the local community.

What are the stages in setting and implementing a CIL?



Infrastructure



Viability

What development is expected in the authority's local plan?

What are the costs of developing in the area generally? Area, scale, use

What infrastructure is needed to support this development?

What is the value of developing in the area?

What money is available?

Leaving a additional contingency or 'buffer'....

What the funding gap does CIL need to fill?

What money is left for CIL = CIL rate(s)

Collecting CIL

- Ensure the authority is **ready to administrate** the collection process
- **Capturing all liable applications** and ensuring relevant paperwork is in place and floorspace figures are correct
- Calculation, active monitoring, determining relief applications; collection of payment; appeals and enforcement
- Appears complicated but **becomes logical and simpler** on implementation
- **Communicate** with your developers, businesses and residents so that they don't get caught out
- But **be careful** – there are some unintended consequences of the regulations. Ensure your authority gathers evidence and feeds back to MHCLG
- **Collaborate** with other authorities – share experience and resource

What are the governance arrangements for spending CIL?

** GOOD GOVERNANCE OF SPEND IS CRITICAL **

- Consider how the **total system works** - You need good governance and strong leadership to **deliver your infrastructure**
- Clarify **objectives** and **develop a strategy** focused on **delivery**
- Clear **policy** spending statements
- **Engage** and **collaborate** with infrastructure providers, service areas, developers and your community
- Ensure decision making process is transparent and that monitoring and reporting on spend is clear
- Manage the neighbourhood proportion with your communities – are their shared priorities?



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How much funding is being raised in areas through CIL?

| Authority | Value of CIL receipts collected in 2016/17 |
|-------------------------------|--|
| Barking and Dagenham | £1,351,173 |
| Elmbridge | £5,901,096 |
| Epsom and Ewell | £2,097,990 |
| Havant | £1,214,858 |
| Islington | £7,166,389 |
| Preston | £2,301,855 |
| Mayor of London | £136,860,108** |
| Sheffield | £1,236,548 |
| Three Rivers District Council | £900,011 |
| West Dorset | £91,262 |
| Westminster | £2,564,231 |

**** Compared to £6,090,573 in Year 1!! 36% of monies raised to date collected in year 5 Remember the first years will be slower.**

What do we know about the government's proposed reforms?

- Headlines published in the **Autumn 2017 Budget Statement**
- **Timetable currently not clear** - anticipate before Easter perhaps alongside NPPF consultation
- Likely to include **consultation on following reforms to CIL** and draft policy changes in NPPF on matters
 1. Making it **easier to set CIL** (consultation and evidence requirements)
 2. Making CIL **more market responsive** - indexation and rates to reflect uplift between one use and another
 3. Strategic Infrastructure Tariffs (**SITS**)
 4. **Removing pooling** restrictions on Section 106 Planning Obligations
 5. **Amending national policy and guidance** on development **viability**
 6. Improving **Transparency**

Strategic Infrastructure Tariff (SITs)

Autumn Budget 2017:

Giving Combined Authorities and planning joint committees with statutory plan-making functions the option to levy a Strategic Infrastructure Tariff (SIT) in future, in the same way that the London Mayoral CIL is providing funding towards Crossrail. The SIT would be additional to CIL and viability would be examined in public. DCLG will consult on whether it should be used to fund both strategic and local infrastructure

Things to consider:

- **Will it be mandatory like Mayoral CIL?**
- **What will the impact be on local CIL**
- **Ensure effective engagement with your authorities**



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Removing Section 106 Pooling Restrictions?

Autumn Budget 2017:

Removing restriction of Section 106 pooling towards a single piece of infrastructure **where the local authority has adopted CIL**, in certain circumstances such as where the authority is in a low viability area or where significant development is planned on several large strategic sites. This will avoid the unnecessary complexity that pooling restrictions can generate.

**** What about an authority that does not have CIL?**

Changes to national policy and guidance on viability

Key proposals set out in September 2017 consultation paper on '**Planning for the right homes in the right places**' and include:

- **Requiring** local plans to identify infrastructure and affordable housing needs – including funding and developers contributions;
- **Encouraging** better **engagement** with housing associations and infrastructure providers;
- **Clear** approach to viability in **decision taking**
- Improve **transparency** (including guidance on methodology); and
- Better **publicity** and **promotion** of delivery



Questions?

Email pas@local.gov.uk

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The Government & Planning Reform

Day1

5.30pm finish

7pm bar & 8pm Dinner

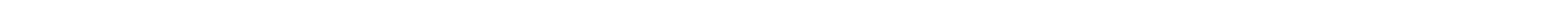
Day2

9.00 start

- LGA Research
- Planning Application Performance
- Your Good Practice
- Horizon scanning

Finish 1pm

Optional Lunch



The Agenda: day 2



- Planning Application Performance
- Your Good Practice
- LGA Research
- Horizon scanning

Finish 1pm

Optional Lunch



Planning Performance: looking at councils' planning performance on speed of majors and minors and the 'new' quality measure

– Steve (PAS)

Designation:

**What is it, and how to recognise,
measure and avoid it**

Contents

1. Performance – what get's measured?
 2. Punishment – what happens if we fail?
 3. Potential – tools to help manage performance
 4. What can committees do?
 5. What support is available
-

Performance in planning

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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 | | | | | | | | | | | | | |
|--|-----------|--------------------|---|--|------------------------|------------------------|---|--|------------------------|--------------------------|---|--|------------------------|
| Planning authority | ONS Code | April to June 2015 | | | | July to September 2015 | | | | October to December 2015 | | | |
| | | Major decisions | Major PPA, EoI or EIA decisions ² within 13 weeks ¹ | PPA, EoI or EIA decisions within agreed time | Imputed blank=No 1=yes | Major decisions | Major PPA, EoI or EIA decisions ² within 13 weeks ¹ | PPA, EoI or EIA decisions within agreed time | Imputed blank=No 1=yes | Major decisions | Major PPA, EoI or EIA decisions ² within 13 weeks ¹ | PPA, EoI or EIA decisions within agreed time | Imputed blank=No 1=yes |
| Yorkshire Dales National Park | E26000012 | 0 | 0 | 0 | 0 | 2 | 0 | 2 | 2 | 3 | 1 | 2 | 2 |
| Exmoor National Park | E26000002 | 1 | 0 | 1 | 1 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| Peak District National Park | E26000006 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gedling | E07000173 | 2 | 0 | 2 | 2 | 8 | 6 | 2 | 2 | 3 | 0 | 3 | 3 |
| Three Rivers | E07000102 | 2 | 1 | 1 | 1 | 3 | 3 | 0 | 0 | 5 | 4 | 1 | 1 |
| Rotherham | E08000018 | 9 | 5 | 4 | 4 | 13 | 6 | 7 | 7 | 14 | 11 | 3 | 3 |
| Bury | E08000002 | 1 | 0 | 1 | 1 | 11 | 4 | 7 | 7 | 8 | 4 | 4 | 4 |
| Coventry | E08000026 | 15 | 13 | 2 | 2 | 10 | 8 | 2 | 2 | 20 | 16 | 4 | 4 |
| Sedgemoor | E07000188 | 14 | 8 | 6 | 6 | 13 | 8 | 5 | 5 | 12 | 11 | 1 | 1 |
| Adur | E07000223 | 4 | 1 | 3 | 3 | 3 | 3 | 0 | 0 | 2 | 2 | 0 | 0 |
| Haringey | E09000014 | 4 | 2 | 2 | 2 | 4 | 2 | 2 | 2 | 4 | 1 | 3 | 3 |
| Kingston upon Thames | E09000021 | 3 | 2 | 1 | 1 | 6 | 1 | 5 | 5 | 6 | 2 | 4 | 4 |

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

Performance in planning

- Sec of State ‘considers council is not performing adequately’
- Councils assessed separately against ‘speed’ & ‘quality’:
 - speed of determining major applications
 - quality of decisions for major applications
 - speed of determining non-major applications
 - quality of decisions for non-major development.
- Majors = district and county matters

Performance thresholds (speed)

- Assessment period; 2 years Oct 15 – Sept 17
- Calculation:
 - %age of total decisions made within target time
(taking account of PPA, EoT)
- Designation:
 - Non-majors anything less than 70%
 - Majors anything less than 60%

Performance thresholds (quality)

- Assessment period; 2 years April 15 to March 17 (to allow a 9 month lag time for appeals to be heard)
 - Calculate:
 - Total decisions made (majors/non majors)
 - Divided by no. appeals lost
 - E.g. 50 decisions, 3 appeals lost = 6%
 - Designation:
 - Anything more than 10%
-

What happens & when?

Speed

- councils at risk notified December 2017
- Contacted again in January and given ‘at least’ 2 weeks to ‘respond’
- Designation final decisions – early 2018

Quality

- councils at risk notified December 2017
- Contacted again in January and given ‘at least’ 2 weeks to ‘respond’
- Designation final decisions – early 2018

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?

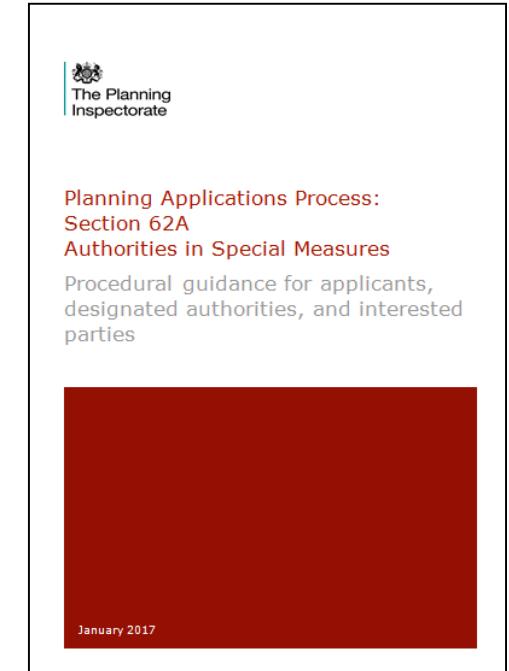
- Applicants can choose to make their application to the Secretary of State, PINS (Planning Inspectorate) will provide a credible application process for applicants.
- Certain application types excluded e.g. householders, prior approvals
- Applicant has no right to appeal (only JR)

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)

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



PAS Support

- We monitor performance quarter by quarter
- We talk to your heads of planning
- ‘Crystal Ball’ - shows the cushion you have / gap you need to close

How are you all doing?

- TABLES TO DISPLAY YOUR COUNCIL'S PERFORMANCE ON SPEED AND QUALITY



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



Common issues

- Eye off the ball
- Focus on right decision, not quick decision
- ‘Sleep walk’ - notice issues too late
- Not using tools, talking to PAS
- Quality – not an issue until now

Underlying issues – most councils have process inefficiencies - save a minute on 1,000 applications saves you 2 days.

PAS Support

- Mentoring, critical friend, sounding board (PAS peers)
 - Process improvement (DM Challenge, DM key principles advice notes)
 - Whole service review - peer challenge
 - Productivity & resource review
 - Committee challenge; people, process, protocols, appeals review
 - Decision making/taking – councillor roles and responsibilities
-



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PAS 2013/14 impact assessment results



1 August 2014

We're delighted that from almost 2,000 respondents, 97% rated our service as a good use of their time. Discover more about the results of our annual impact assessment.

Pause 1 2 3

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Project management for major applications



We are looking for expressions of interest from experts in this field to transform your good practice into an advice note that will help other councils. We will pay for your time doing this. Click [here](#) for the details.

Five most visited PAS pages in July 2014



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now:



...and thank you