



Planning For Housing Conference

Housing Need Assessment and Local
Plan Making – The Implications of the
Housing White Paper
John Rhodes

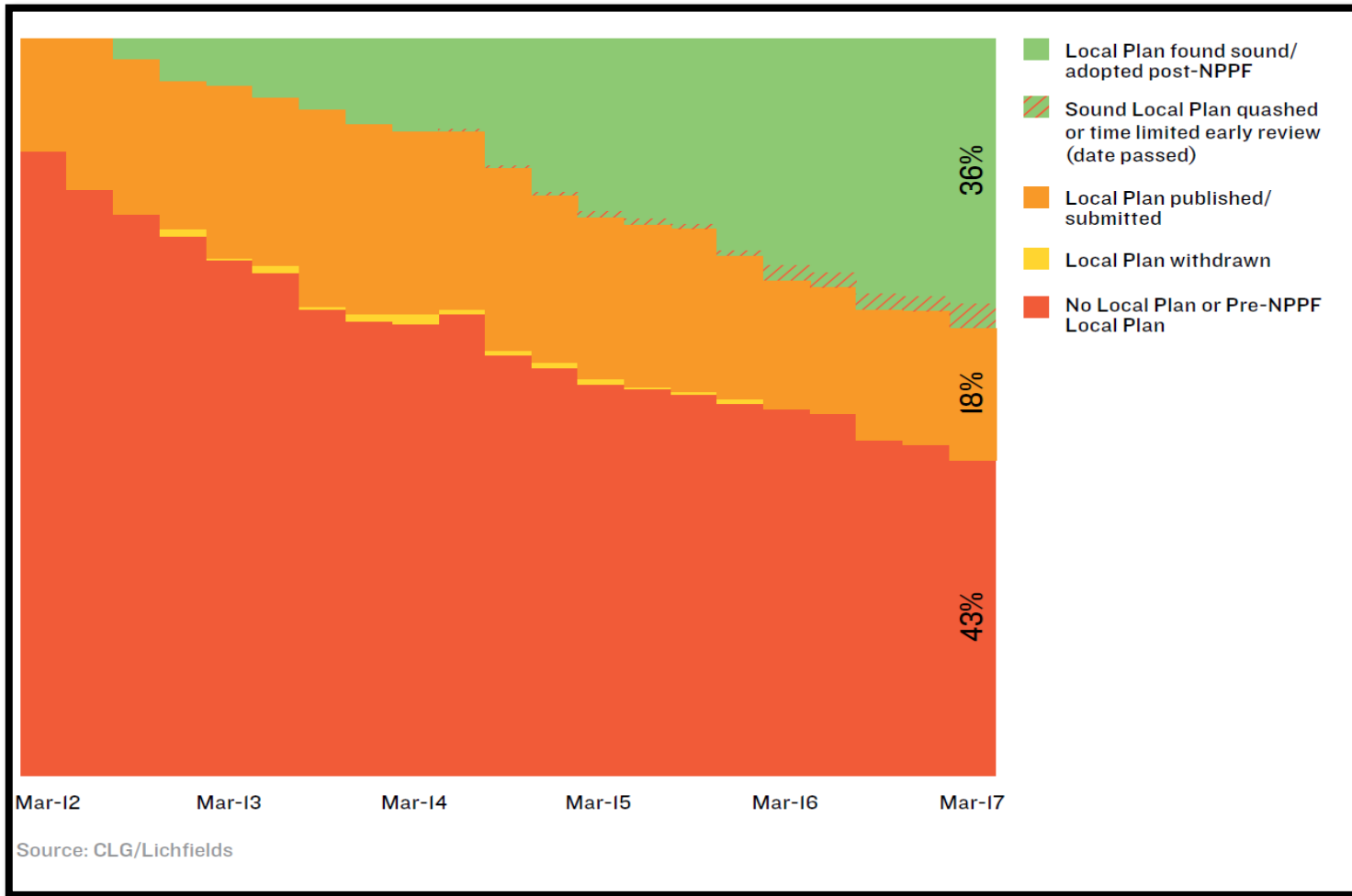
4 October 2017

Quod

Delivering a wide choice of high quality homes

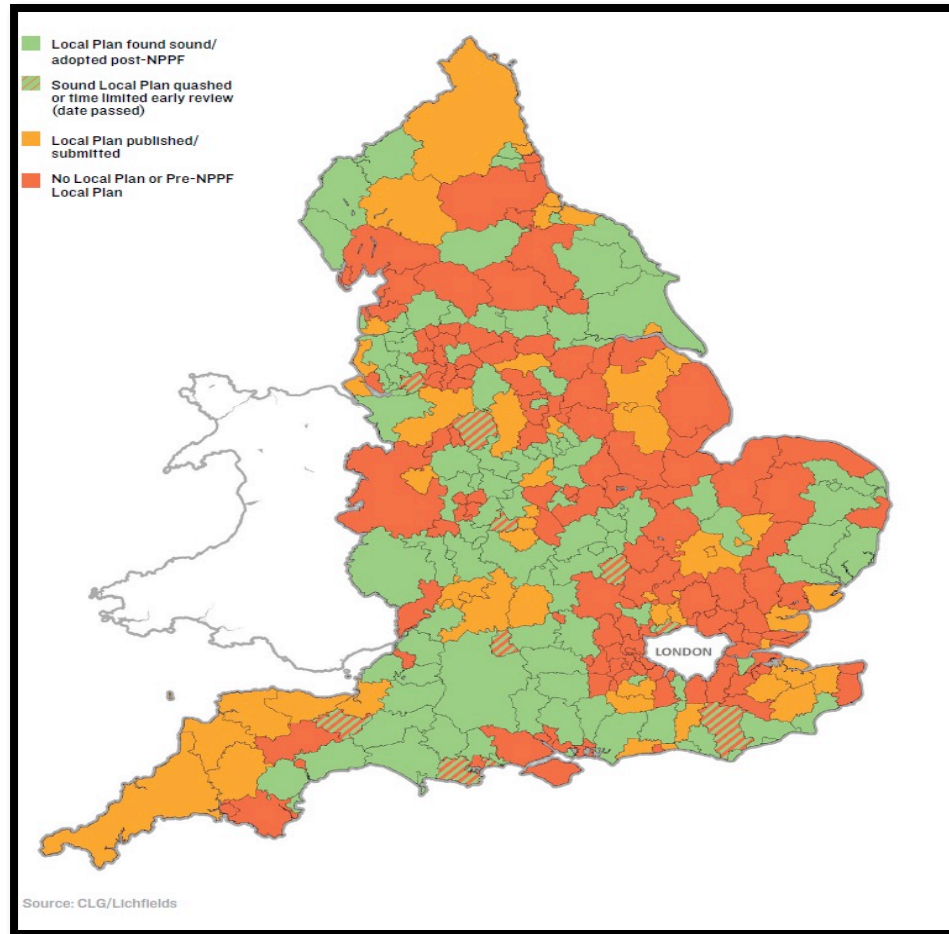
47. To **boost significantly** the supply of housing, local planning authorities should:
- Use their evidence base to **ensure that their Local Plan meets the full objectively assessed needs for market and affordable housing in the housing market area**, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period

Local Plan Progress



Source: CLG/Lichfields

Where's the problem?



LPEG

- Established in Sept 2015 by CLG to consider how plan making can be made more efficient and effective;

Principal problems

- agreeing housing needs
- The Duty to Co-operate
- Lack of political will
- SHMAs, strategic planning, Green Belts
- Moving goal posts

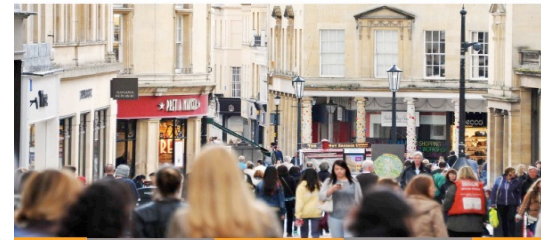
Local plans appear to plan less than 50% of the country's housing need

47 recommendations, March 2016

LOCAL PLANS

Report to the
Communities Secretary
and to the Minister of
Housing and Planning

MARCH 2016



Local Plans Expert Group

The problem with SHMAs

- Costly, complex, lengthy and uncertain
- Guidance allows room for extensive debate
- Figures are “gamed” to rig the outcome
- Examinations are impenetrable

Remember – OAN is only the starting point

CLG Consultation: -v- LPEG

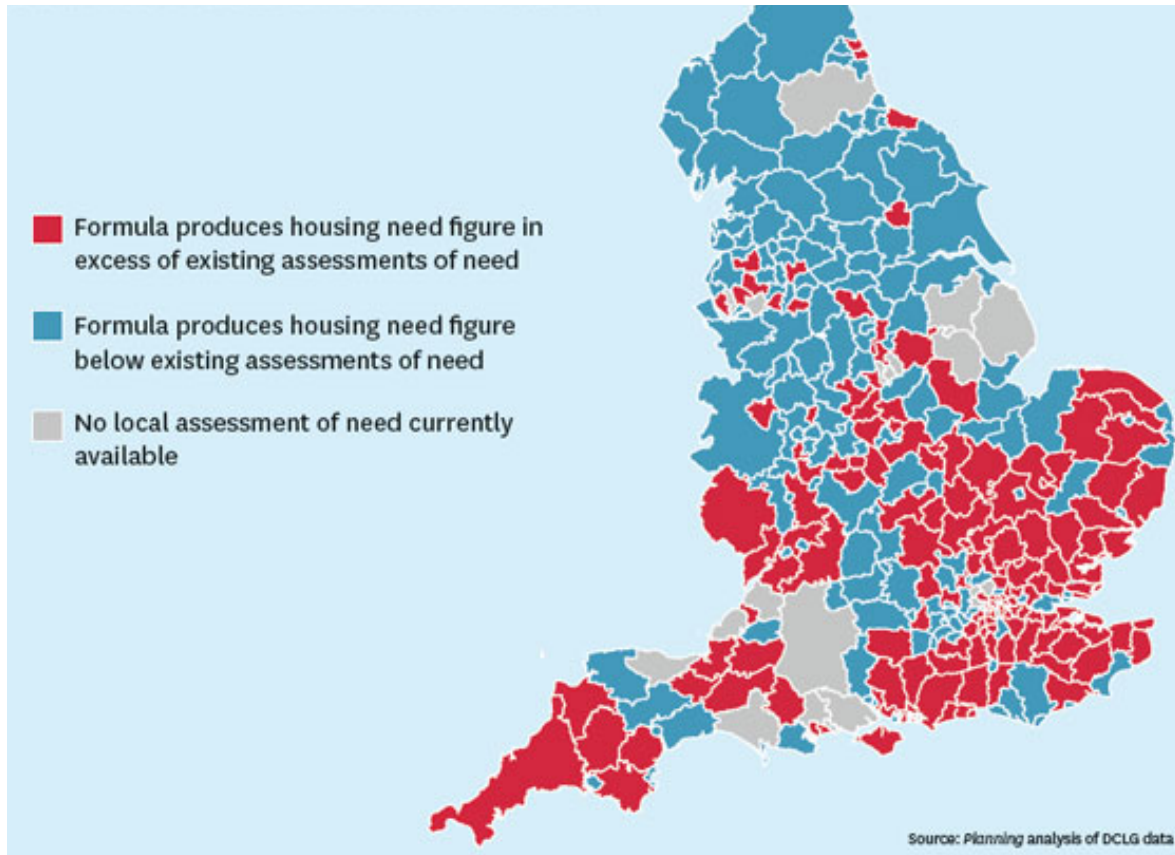
OAN Methodology	LPEG	CLG
Demographic Projection Baseline	Yes	Yes
Economic Adjustment	No	No
Ten Year Migration Adjustment	Yes	No
Household Formation Adjustment	Yes	No
Vacancy Rate Adjustment	Yes	No
Second Home Adjustment	Yes	No
Affordability Adjustment	Yes	Yes
Affordable Housing Adjustment	Yes	No
Adjust for plan status	No	Yes

Relationship to Local Plans

Validity Timescales	LPEG	CLG
OAN Evidence	Valid for 2 Years from date of local plan submission.	Valid for 2 Years from date of local plan submission.
Post adoption	<ul style="list-style-type: none">OAN valid for 3 years	Silent
OAN adjusted by Plan status	No	Plan up to date - cap at 40% above plan Plan out of date - cap at higher of 40% above <ul style="list-style-type: none">ONS projectionsLocal Plan

Analysis

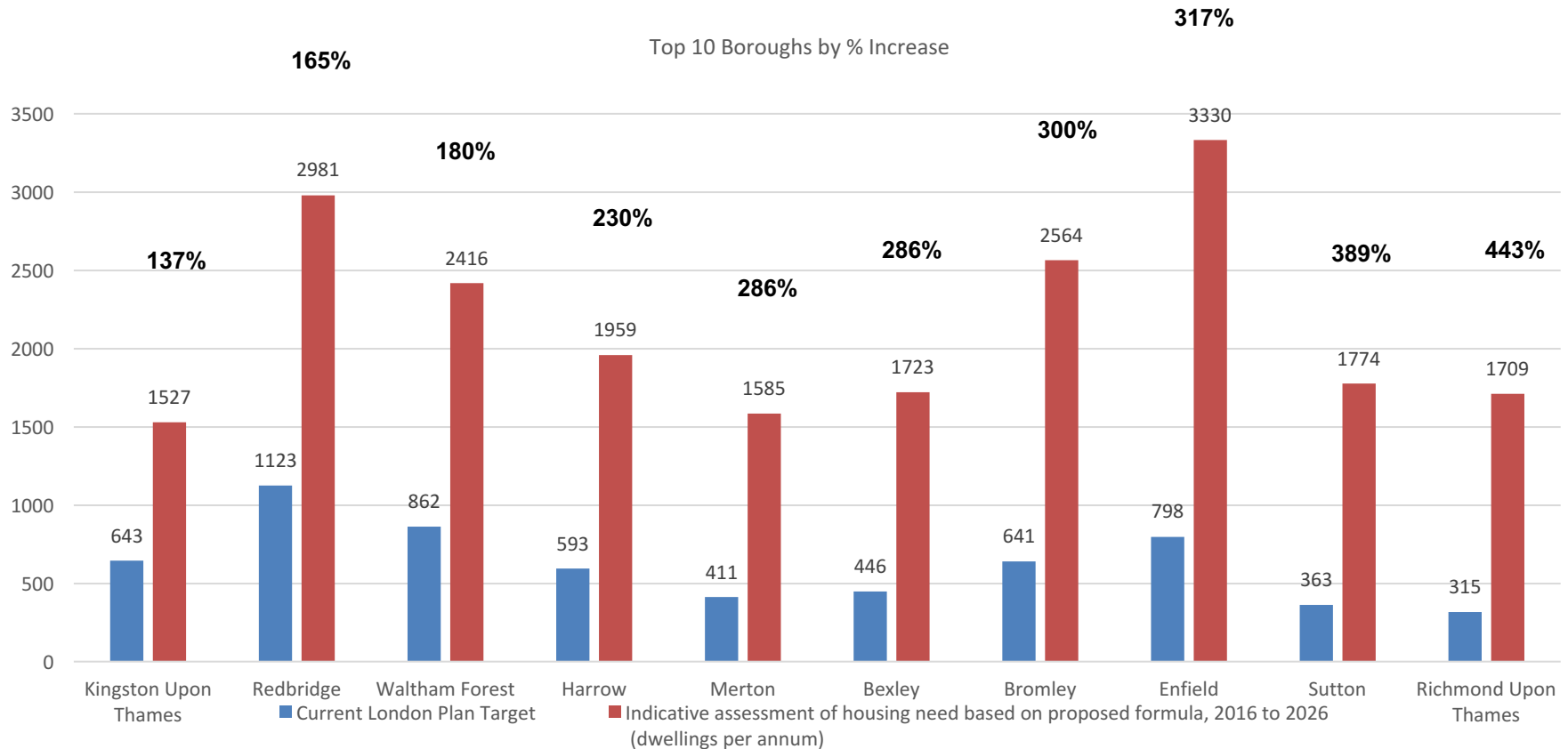
- 156 Authorities will see increases in OAN (+35% average);
- total housing need across the country of just over 266,000 homes, including 72,000 in London;
- Largest increases in London & South East (anomalies include Oxfordshire (1,200 – 1,600 to 746)).



KEVIN HILTON

London

- Top 10 OAN increases in London



- Top 10 OAN increases in London

Issues from the methodology

- Volatility from a changing base
- The use of ONS projections
- Anomalies such as Oxfordshire
- Perverse outcomes from the cap – better to incentivise plans in other ways?
- Transitional arrangements = serious constraints
 - ✓ a single methodology is a huge step forward
 - ? BUT – will it be effective?

Green Belt – National Policy

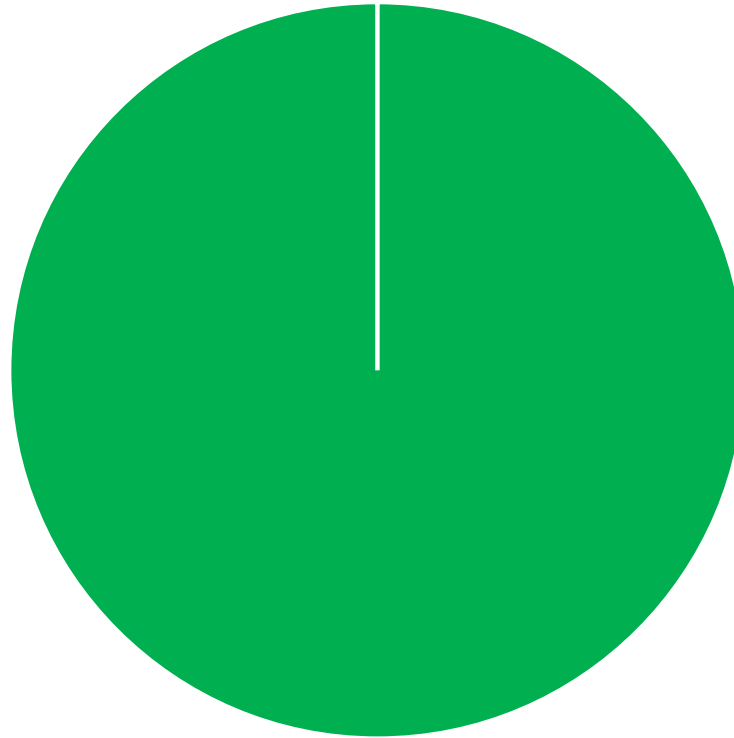
- NPPF – Green Belt Land
 - Para 83 – once established, Green Belt boundaries should only be altered in **exceptional circumstances, through the preparation or review of the Local Plan;**
 - Para 84 – when drawing up or reviewing Green Belt boundaries, local planning authorities should take account of the need to **promote sustainable patterns of development;**
 - Para 85 – requires local authorities when defining Green Belt boundaries to....*“ensure consistency with the local plan strategy for meeting identified requirements for sustainable development”*.
- Green Belt is not an environmental designation but a planning mechanism that should be adjusted in response to the need for sustainable development.

Green Belt – Rate of Release

- Estimated 1,634,700 ha designated Green Belt in England (March 2017) – around 13% of the land area of England;
- 8 adopted Local Plans in 2016/2017 amended Green Belt boundaries resulting in a decrease of 790ha (less than 0.05%);
- Green Belt land release 2014 – 2017 = 3,930ha (or 0.24%)

Note the ability to add new Green Belt

Green Belt – Rate of Release



- Green Belt lost to housing 2016/2017 (0.05%)
- Green Belt not lost to housing 2016/2017 (99.95%)

Birmingham : Case Study

- Birmingham Local Plan
 - West Midlands Green Belt boundary not revised since around 1998;
 - **Housing Need** – 89,000 homes needed but only identified capacity for c. 46,000 dwellings;
 - **Proposal** – Alterations to Green Belt to allocate two sites (5,350 dwellings – increase capacity to c. 51,800 dwellings) and Council will work with neighbouring authorities to secure additional provision to meet overall need;
 - **Inspector** – exceptional circumstances exist to justify alterations to the Green Belt boundary and evidence of effective co-operation between the LPA's with the aim of meeting the housing need. Approach consistent with NPPF;
 - **CLG** – Holding direction 26 May 2016 due to Green Belt release but withdrawn on 24 November 2016 (6 months) with no further recommendations/alterations;
 - **Adoption** – Birmingham Local Plan adopted in January 2017

London – what's next?

- London Plan
 - **Housing Need** – London Plan (42,000), SHMA (62,000), New Methodology (72,000)
 - **Historic Delivery** - 34,333 dpa 2013/14 – 2015/16. Only 16,800 new homes started in year to March 2017, down compared to 23,000 in previous year
 - **Mayor of London** – August 2017 housing strategy suggests Mayor is unprepared to release green belt.
 - **London** is surrounded by Green Belt authorities.
 - 33% of Green Belt authorities have a post NPPF plan, compared to 40% elsewhere

Duty to Co-operate/LPEG

- LPEG - weak guidance means that this is a ‘duty to chat’ not a ‘duty to agree’ nor a ‘duty to deliver’;
- LPEG recommended addition to para 182 of NPPF (soundness test) to:
 - confirm product of joint working is agreement on distribution of full OAN;
 - require plan making LAs to identify/ explore how un-met need will be met (inc requesting adjacent LAs to meet);
 - require LAs to treat un-met need as part of their OAN;
 - advise Inspectors to assume objections to un-met need.

Statement of Common Ground - CLG

To encourage local authorities to plan for wider housing need, including un-met need:-

- Plans should be based on effective joint working, evidenced in statements of common ground.

BUT

X

The Statement should record where agreement has and has not been reached

X

The Statement should not be an additional burden on authorities

Conclusions

- The new standard methodology is overdue but very welcome in principle;
- It needs to be refined – and to be applied without the cap and with more meaningful transition;
- That effect will be undermined unless we see a determined approach to ensure housing delivery.