

**FORM 1**

**NOTICE OF DELEGATION OF DECISION TO CABINET MEMBER BY STRONG LEADER**

Section 15(4) of the Local Government Act 2000, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1<sup>st</sup> December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).


I, Cllr Marcus Hart, as Strong Leader, delegate the decision, consultation response on updates to national planning policy and guidance

Cabinet Member for Housing, Health & Well-being

*4<sup>th</sup> December, 2019.*

Dated:

Signed:

  
.....  
Leader of the Council

### NOTICE OF DECISION OF CABINET MEMBER

Pursuant Section 15(4) of the Local Government Act 2000, as amended by section 63 of the Local Government and Public Involvement in Health Act 2007, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1<sup>st</sup> December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

In accordance with the authority delegated to me by the Leader, I have made the following decision:

Subject	Decision	Reason for decision	Date for Decision to be taken
Response to Government consultation on updates to national planning policy and guidance	<b>To agree the response to the consultation</b>	The consultation closes on 7 <sup>th</sup> December 2018 and the Council wishes to record its response before the consultation closes.	5th December 2018

**I confirm that the appropriate statutory officer consultation has taken place with regard to this decision.**

Dated: 3 / 12 / 2018

Signed: 

Councillor: Ian Hardiman – Housing, Health and Well-being

**WYRE FOREST DISTRICT COUNCIL**  
**STRONG LEADER CABINET REPORT**

**3rd December 2018**

**RESPONSE TO GOVERNMENT CONSULTATION:**

Technical consultation on updates to national planning policy and guidance

<b>OPEN</b>	
<b>CABINET MEMBER:</b>	Councillor Ian Hardiman
<b>DIRECTOR:</b>	Corporate Director: Economic Prosperity & Place
<b>CONTACT OFFICER:</b>	Mike Parker Ext. 2500 <a href="mailto:mike.parker@wyreforestdc.gov.uk">mike.parker@wyreforestdc.gov.uk</a>
<b>APPENDIX</b>	Consultation responses

**1. PURPOSE**

This report seeks approval for the Corporate Director - Economic Prosperity and Place to submit the Council's formal response to the Government's consultation "Technical consultation on updates to national planning policy and guidance".

**2. RECOMMENDATION**

**That the Leader:**

2.1 Delegates the approval of the submission of the appended response to the Government consultation to the Cabinet Member for Economic Regeneration and Planning

**3. BACKGROUND**

In July 2018 as part of its refresh of the National Planning Policy Framework (NPPF) the Government confirmed its commitment to adopting the new 'standardised methodology' for calculating housing need to be planned for through the Local Plan process. This moves away from the Objective Assessment of Housing Need (OAHN) which was open to local judgement based on empirical evidence and modelling and became subject to regular challenge from the development industry.

The Council has acted on this and delayed its planned consultation on its Pre-Submission consultation (now underway from 1<sup>st</sup> November 2018, closing on 17<sup>th</sup> December 2018) to ensure that it was able to accommodate the most up to date figure using the new standardised methodology and based on the most recent (September 2018) issue of the household projections 2016 [by the Office for National Statistics].

On 26<sup>th</sup> October 2018 the Government issued its consultation entitled “Technical consultation on updates to national planning policy and guidance”. This consultation includes further proposed changes to the calculation methodology for arriving at a figure for the Local Housing Need Assessment (as it is now referred), clarifications around housing land supply, the definition of “deliverable” and developments requiring Habitats Regulations assessments.

#### **4. CONSULTATION CONTENT**

##### **Local Housing Need Assessment:**

In the 2017 Budget, the Government made a commitment to delivering on average 300,000 new homes per year across England by the mid 2020s. The original consultation on the standard methodology for calculating local housing need [in March 2018] using the 2014 household projections would deliver an estimated 266,000 new homes in England.

Following the consultation the Government adopted this methodology as part of the revised NPPF [July 2018].

In September 2018 the ONS published the 2016 household projections which indicated a slowing down in the rate of household formation, such that using the standardised methodology and the 2016 projections indicated the delivery of a reduced estimate of 213,000 new homes in England. Clearly this falls some way short of the 300,000 target.

In originally adopting the standardised methodology the Government indicated that it would keep the methodology under review. Given using the 2016 household projections moves further away from meeting the 300,000 target the Government has chosen to review the methodology now.

The Governments proposed response is threefold:

1. For the short-term, to specify that the 2014-based data will provide the demographic baseline for assessment of local housing need.
2. To make clear in national planning practice guidance that lower numbers through the 2016-based projections do not qualify as an exceptional circumstance that justifies a departure from the standard methodology; and
3. In the longer term, to review the formula with a view to establishing a new method that meets the government’s principles by the time the next projections are issued.

Wyre Forest’s figures for calculating housing need using the standardised methodology and the 2016 household projections is 276 dwellings per annum; using the 2014 household projections this reduces to 246 dwellings per annum. Clearly this is inconsistent with the Government’s aims as well as what appears to be the national trend where the 2014 figures result in higher delivery figures.

The Government re-affirms that the standardised methodology applies to Local Plans submitted after 24<sup>th</sup> January 2019 (which applies to the Wyre Forest District Local Plan). The consultation reiterates that the housing need figure can be relied upon for a two year period in the Plan making process.

By the time the Council plans to have submitted its Local Plan for examination in late 2019 the 2016 household projections will still be the latest ONS figures published.

### **Housing Land Supply:**

Subject to the outcome of this consultation the Government proposes to publish a further amendment to the NPPF.

The basis for determining an authority's five year housing land supply requirement (as set out in paragraph 73 of the NPPF) is either:

- an up to date housing requirement set out in strategic policies (where these are less than five years old, or older if they have been reviewed within the five years and do not need updating); or
- local housing need. Using this as the baseline where policies are out of date is intended to simplify the planning application and appeals process by ensuring a consistent approach.

Paragraph 60 of the NPPF and the definition of 'local housing need' in the glossary allow authorities to use a justified alternative approach to the standard method for calculating housing need, in exceptional circumstances. This is intended to apply only when strategic policies are being produced, rather than inviting alternative approaches and calculations of need in the determination of applications and appeals where housing land supply is a relevant matter.

For clarity the Government proposes making two minor amendments to the text of the NPPF, as follows:

- Amend footnote 37, to add at the end: "Where local housing need is used as the basis for assessing whether a five year supply of specific deliverable sites exists, it should be calculated using the standard method set out in national planning guidance".
- Amend the definition of local housing need in the glossary to: "The number of homes identified as being needed through the application of the standard method set out in national planning guidance (or, in the context of preparing strategic policies only, this may be calculated using a justified alternative approach as provided for in paragraph 60 of the NPPF)".

### **The Definition of Deliverable:**

The NPPF published in July this year set out a revised definition of 'deliverable' (contained in the glossary at Annex 2 of the Framework). The Government considers that based on early experience of applying this definition has suggested that it would

benefit from some clarification of the wording. In particular, the existing text could be clearer that sites that are not major development, and which have only an outline planning consent, are in principle considered to be deliverable.

The Government proposes to amend the definition of deliverable to clarify its intended application. The revised definition would be:

**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. In particular:

- a) sites which do not involve major development and have planning permission, and all 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 (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).
- b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

### **Development requiring Habitats Regulations Assessment:**

Following the ruling of the European Court of Justice on case C323/17 (*People over Wind, Peter Sweetman v Coillte Teoranta*), the Government proposes to make one additional clarification to national planning policy. The effect of the ruling is that appropriate assessment of habitats impacts is required in plan-making and decision-making whenever there is a potential impact on a habitats site, regardless of any mitigation measures proposed.

One of the measures which the National Planning Policy Framework takes to protect habitats sites is to disengage the presumption in favour of sustainable development where there is potential for harm to these sites. However the judgment means that sites with suitable mitigation are now excluded from the application of the presumption, which was not the intention of the policy.

To rectify this they propose to amend paragraph 177 of the NPPF to make clear that the presumption is disapplied only where an appropriate assessment has concluded that there is no suitable mitigation strategy in place. The revised paragraph would read:

“The presumption in favour of sustainable development does not apply where the plan or project is likely to have a significant effect on a habitats site (either alone or in combination with other plans or projects), unless an appropriate assessment has concluded that there will be no adverse effect from the plan or project on the integrity of the habitats site.”

The consultation poses six questions relating to the above areas and the proposed response is included in the appendix to this report.

## **5. FINANCIAL IMPLICATIONS**

There are no direct financial consequences arising from this report, however the constant changing of national policy regularly requires the Council to engage consultants to provide the evidence to demonstrate that the Council's policy development meets the new national guidance.

## **6. LEGAL AND POLICY IMPLICATIONS**

The Council needs to be satisfied that in delivering the Local Plan for adoption, that in order to be found sound, it has to comply with national guidance. Changes to the NPPF as described in the consultation will require the Council to be in compliance with any published revisions to the NPPF.

## **7. CONCLUSION**

The Government has issued an important consultation on calculating the figure for Local Housing Need Assessment. The Council proposes to respond as detailed in the attached appendix.

## **8. RISK MANAGEMENT**

If the Council does not respond to the consultation it will not have the opportunity to help shape national planning policy.

## **9. EQUALITY IMPACT NEEDS ASSESSMENT**

There is no requirement for an Equality Impact Needs Assessment.

## **10. CONSULTEES**

CLT

Draft response to Government consultation:

### **Technical consultation on updates to national planning policy and guidance**

**Q1: 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?**

A. The Council acknowledges that, in adopting the standardised methodology for calculating local housing needs in July 2018, the Government indicated that the methodology would be kept under review. That entirely makes sense as in the longer term variables may change, such that the methodology requires amending. However what this Council had not anticipated was that within 3 months of adopting the methodology, at the first introduction of new data (the 2016 household projections), the Government would declare the methodology in need of review; it plainly indicates that the methodology adopted was fundamentally flawed. The less charitable commentator would simply say that Government was manipulating the methodology to suit its narrative that 300,000 new homes should be built every year by the mid 2020s. Government needs to settle on a methodology and stick to it.

In bringing forward the standardised approach it was Government's intention to bring clarity and certainty to an otherwise complex process of arriving at a figure for meeting local housing need, one that had become subjective, deriving numerous statistical models that led to challenge, cost and delay. By proposing further changes to the methodology and reverting to the 2014 household projections, Government is simply re-creating this complexity, obfuscating certainty and encouraging challenge with inherent cost and delay.

This Council was mid consultation on the preferred options version of its Local Plan when the consultation on the standardised methodology was first published. That in itself became the subject of frustration and confusion amongst our local community who struggled to square the Council's Objectively Assessed Housing need figure of 300 dwellings per annum with the proposed standardised methodology figure of 246 dwellings per annum. This Council then amended its Project Plan timetable for delivery of the Local Plan to ensure that by the time we were undertaking our Pre Submission consultation (which at time of writing is underway, closing in December) we were able to do so with some degree of confidence using the standardised methodology based on the 2016 household projections. That gave the figure of 276 units per annum to meet our local housing need. The Council is consulting on allocations that would deliver in excess of that figure; if the Government changes the methodology as proposed by reverting to the 2014 household projections, the Council will be back at a figure of 246. Whilst we acknowledge that this is a minimum figure, that is not what the local community sees. In their eyes, the Council cannot settle on what the 'right' figure is and that simply undermines confidence locally in the Council's ability to deliver a sound Local Plan.



With the promise of a further review of the methodology to come, it is becoming extremely challenging to take the Local Plan through the various stages of consultation, maintaining local support, to a point of submission with confidence around the supply of housing to meet local needs.

This Council urges Government to stick to the methodology it published in July 2018 and not create more uncertainty by moving away from that methodology so soon after adopting it.

**Q2: 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?**

A. This Council understands that the 2016 household projections are not a basis for justifying lower housing need but, given the explanation of this Council's position set out in Q1, Government needs to understand that their proposals set out in this consultation have that very effect on the Wyre Forest position. Reverting to the 2014 household projections actually reduces our housing need figures.

Government should find an alternative way of justifying not relying on the 2016 household projections than simply reverting to the 2014 projections; that does not appear to be a well thought out strategy, but more of a knee jerk reaction in a moment of desperation. For example, the Government could retain the methodology it announced in July, use the 2016 projections and then apply a suitable "inflation factor" for areas where the 2014 projections produced a higher housing need figure, to bring the overall total to or nearer to 300,000 dwellings.

**Q3: Do you agree with the proposed approach to applying the cap to spatial development strategies?**

A. This Council has no objection to the proposed approach to applying a cap.

**Q4: Do you agree with the proposed clarifications to footnote 37 and the glossary definition of local housing need?**

A. This Council has no objection to the proposed clarification.

**Q5: Do you agree with the proposed clarification to the glossary definition of deliverable?**

A. This Council has no objection to the proposed clarification.

**Q6: Do you agree with the proposed amendment to paragraph 177 of the National Planning Policy Framework?**

A. This Council has no objection to the proposed clarification.