

Appendix A

REPORT TO SHEVINGTON PARISH COUNCIL POLICY AND GENERAL PURPOSES COMMITTEE NOVEMBER 2ND 2017

PLANNING FOR HOMES IN THE RIGHT PLACES A GOVERNMENT CONSULTATION.

Introduction

This consultation reached us through the National Association of Local Councils(NALC). However there was not time to prepare a response by the date specified(27th October). As the national consultation does not close until 9th November it was decided to send our response direct to Government.

I have only dealt with the questions mentioned by NALC in their correspondence.

Questions

- 1.(a) Do you agree with the proposed standard approach to assessing local housing need? If not ,what alternative approach or other factors should be considered?**
(b)How can information on housing need be made more transparent?

Step 1 Setting the baseline

It is proposed that projections of household growth should be the demographic baseline for every local authority area . The most recent official projections should be used, with the household growth calculated for the period over which the plan is being made .It is proposed that the demographic baseline should be the annual average household growth over a 10 year period.

Step 2 An adjustment to take account of market signals

It is considered that household growth on its own is insufficient as an indicator of demand since: household formation is constrained to the supply of available properties

- new households cannot form if there is nowhere for them to live; and people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford. It is considered that median affordability ratios, published by the Office for National Statistics at a local authority level, provide the best basis for adjusting household projections. The affordability ratios compare the median house prices (based on all houses sold on the open market in a given year in a local authority) to median earnings (based on full-time earnings for those working in that local authority area). It is proposed that as the next step in the standard method, plan makers should use the workplace-based median house price to median earnings ratio from the most recent year for which data is available. To get a total housing need close to this figure, their modelling proposes that each 1 per cent increase in the ratio of house prices to earnings above four results in a quarter of a per cent increase in need above projected household growth. the local authority needs to plan for more; and b) increases in housing delivery above population growth should be inversely proportionate to the affordability of an area, with less affordable areas needing to deliver more homes. There is considerable economic evidence that demonstrates that

growth in house prices (and therefore worsening affordability) is inversely related to the level of house building

Step 3 Capping the level of any increase:

It is proposed that the new annual local housing need figure should be capped at 40 per cent above whichever is higher of the projected household growth for their area over the plan period or the annual housing requirement figure currently set out in the local plan.

Impact on each Local Authority Area

Practical suggestions for ensuring this information can be made yet more transparent would be welcome.

Comments

A national basis for assessment of housing need will ensure that need assessments are consistent between authorities. The second part of the assessment is more concerning and it could perpetuate the current trend for housebuilders to concentrate on limited numbers of high profit housing although capping limits this.

2: Do you agree with the proposal that an assessment of local housing need should be able to be relied upon for a period of two years from the date a plan is submitted?

To ensure stability and a consistent evidence base to inform plan-making, we propose that local planning authorities should be able to rely on the evidence used to justify their local housing need for a period of two years from the date on which they submit their plan.

Comments

Agree.

3.: Do you agree that we should amend national planning policy so that a sound plan should identify local housing need using a clear and justified method?

It is proposed to amend national planning policy so that having a robust method for assessing local housing need becomes part of the tests that plans are assessed against; and to make clear (through guidance) that use of the proposed standard method will be sufficient to satisfy this test.

Comments

Yes

7(a) Do you agree with the proposed administrative arrangements for preparing the statement of common ground?

(a) It is proposed that all local planning authorities should have a statement of common ground in place within twelve months following the publication of the revised National Planning Policy Framework. However, in order to ensure greater certainty at an early stage of the process, it is expected local planning authorities to have an outline

statement in place within six months following publication of the revised Framework.

(a) It is proposed that all local planning authorities should have a statement of common ground in place within twelve months following the publication of the revised National Planning Policy Framework. However, in order to ensure greater certainty at an early stage of the process, we expect local planning authorities to have an outline statement in place within six months following publication of the revised Framework.

(a) Comments

Agreed. How does this apply to Neighbourhood Plans?

(b) How do you consider a statement of common ground should be implemented in areas where there is a Mayor with strategic plan-making powers?

(b) In areas where there is an elected mayor with strategic plan-making powers, such as London and Greater Manchester, they want to ensure that all local planning authorities in the area are effectively collaborating in plan-making, but that efforts are not duplicated. Spatial development strategies produced by Mayors consider a number of strategic issues including housing need, but Mayors are not subject to the duty to cooperate when producing their spatial development strategy. In order to ensure that the aims of the statement of common ground can be achieved in every area, we wish to seek views on the most effective way of introducing the statement of common ground in areas with Mayors with strategic plan-making powers.

(b) Comments

In Greater Manchester the Strategic Framework is already a joint exercise between the Mayor's Office and the ten District Authorities.

(8) Do you agree that the proposed content and timescales for publication of the statement of common ground are appropriate and will support more effective co-operation on strategic cross-boundary planning matters?

That as a minimum the statement should be reviewed, and if necessary updated, when primary authorities each reach certain key milestones in the plan-making process. We propose that these milestones should be the key regulatory milestones in the consultation, publication, submission and adoption of a plan.

Comments

Yes

9(a) Do you agree with the proposal to amend the tests of soundness to include that: i) Plans should be prepared based on a strategy informed by agreements over the wider area; and ii) Plans should be based on effective joint working on cross-boundary strategic priorities, which are evidenced in the statement of common ground?

9(b) Do you agree to the proposed transitional arrangements for amending the tests of soundness .

They are proposing that the tests of soundness are amended to include that: a) plans should be prepared based on a strategy informed by agreements over the wider area; and b) plans should be based on effective joint working on cross-boundary strategic priorities, which are evidenced in the statement of common ground. They propose that the changes to the tests of soundness should take effect in line with our expectations for when statements of common ground should be in place. They propose to apply transitional arrangements so that the new tests of soundness are not applied until 12 months after the revision to the National Planning Policy Framework.

Comments

Yes

11 (a) should a local plan set out the housing need for designated neighbourhood planning areas and parished areas within the area?

b) do you agree with the proposal for a formula-based approach to apportion housing need to neighbourhood plan bodies in circumstances where the local plan cannot be relied on as a basis for calculating housing need?

The housing White Paper proposed to amend national policy so that local planning authorities are expected to provide neighbourhood planning groups with a housing need figure, where this is needed to allow progress to be made with neighbourhood planning. It is proposed to make clear in planning guidance that authorities may do this by making a reasoned judgement based on the settlement strategy and housing allocations in their plan, so long as the local plan provides a sufficiently up-to-date basis to do so (including situations where an emerging local plan is close to adoption). Where this happens, we would not expect the resulting housing figure to have to be tested during the neighbourhood plan's production, as it will be derived from the strategy in the local plan and must be in general conformity with its strategic priorities.

Views would be welcome on whether national policy should expect local planning authorities to set out, within their plans, a housing figure for designated neighbourhood planning areas and parished areas within their local area.

Where the local plan is out-of-date and cannot be relied on as a basis for allocating housing figures, it is proposed to set out in guidance a simple formula-based approach which apportions the overall housing need figure for the relevant local authority area/s, based on the latest figures calculated under the new standard approach (once, and assuming, it is introduced), to the neighbourhood planning area²¹. The proposed formula is simply to take the population of the neighbourhood planning area and calculate what percentage it is of the overall population in the local planning authority area. The housing need figure in the neighbourhood planning area would then be that percentage of the local planning authority's housing need.

Comments

It would be useful for local plans to indicate the level of housing need in neighbourhood planning areas and parished areas but this should be treated as advisory rather than a statutory part of the local plan. I am concerned about a formula based approach to apportioning housing need as it is crude and may lead to unintended consequences. Who decides that the local plan cannot be relied upon to calculate local need?

12. Do you agree that local plans should identify the infrastructure and affordable housing needed, how these will be funded and the contributions developers will be expected to make?

Comments

Yes

17: a) do you agree that local planning authorities should set out in plans how they will monitor and report on planning agreements to help ensure that communities can easily understand what infrastructure and affordable housing has been secured and delivered through developer contributions?

Comments

Yes

Conclusions.

That the comments in this report are conveyed to the Department for Communities and Local Government and copied to LALC.

Barry King

October 27th 2017