

The Local Plan – Understanding the implications arising from the latest Government consultation on the proposed recalculation of housing building requirements

A Presentation to the Parish Partnership Panel

On 16th November 2017 by

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and

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Fixing Our Broken Housing Market The Housing White Paper (DCLG - February 2017)

- “The housing market in this country is broken, and the cause is very simple: for too long, we haven’t built enough homes. “
- “The problem is threefold:
 - not enough local authorities planning for the homes they need;
 - house building that is simply too slow; and
 - a construction industry that is too reliant on a small number of big players. “ (*Quotes taken from the Introduction to the White Paper*)

Fixing Our Broken Housing Market The Housing White Paper (DCLG - February 2017)

- The White Paper proposed 40 different planning reforms, some to 'speed up' the Local Plan process.
- One proposal was to introduce a standard methodology for estimating future housing needs to reduce the number of challenges at the Local Plan Inquiry stage.
- Currently Local Planning Authorities prepare Strategic Housing Market Assessments (SHMAs) to establish future housing need based on National Planning Practice Guidance.
- It is one of the more important pieces of Local Plan evidence and has to be robust and up to date.

Planning for the Right Homes in the Right Places (DCLG - September 2017)

- Government consultations on a proposed standardised methodology for estimating future housing need were launched on 9th September.
- This is based on a baseline household growth projection and an affordability ratio.
- The implications for each Local Planning Authority were published alongside the consultation document – some saw reductions in their housing need, others saw increases.
- For Tonbridge and Malling the result was an increase of 163 dwellings per year on top of the current estimate of 696 making a total of 859 new homes every year. Over the 20 year plan period this equates to an additional 3,260 homes.
- Since we have been monitoring annual, net housing completions we have delivered more than 859 homes on only two occasions in the last 15 years.

Planning for the Right Homes in the Right Places (DCLG - September 2017)

- Consultations closed on the 9th November.
- T&M made a comprehensive response setting out our concerns.
- This was circulated to all parish Clerks and copied to all Borough Councillors and Local MPs on the 1st November.
- The Government anticipates the new methodology coming into force when the National Planning Policy Framework is revised next spring.
- Those Local Planning Authorities that have submitted their Plans by the 31st March will be allowed to use their current need assessments.

Planning for the Right Homes in the Right Places (DCLG - September 2017) – TMBC Response

- There were three main concerns expressed in respect of the proposals:
- Deliverability – The methodology does not take deliverability into account;
- Increasing affordability – As most housing is delivered by the private sector and due to our proximity to London, increasing supply is unlikely to bring prices down;
- Consistency of approach – the formula has the effect of penalising those who have performed well (more houses, more household growth = increasing housing need) – e.g. comparing South Oxfordshire with T&M

Implications for the Local Plan

- We cannot submit our Local Plan before 31st March 2018, so we will have to take account of the new housing need proposed.
- If we are required to plan for an additional 3,260 homes, this will require us to revisit our evidence base and possibly identify new sites or propose higher densities. This in turn may require another round of consultations extending the timetable.
- But we do not know how the Government will respond to the consultation, resulting in uncertainty.

Implications for the Local Plan

- Once the new Housing need figures are applied next spring our 5 year housing land supply will be significantly reduced.
- This may leave us vulnerable to ‘planning by appeal’ and intervention by the Secretary of State thanks to the new Housing Delivery Test.
- If we cannot meet our new need through the Local Plan process we will have to negotiate with neighbouring and other Local Authorities to see if they can take this need on board.
- This was already a difficult process, but another implication of the standardised methodology is that no Local Authorities in Kent or London and the South East are likely to have any spare capacity.

Local Plan - Next Steps

- T&M will continue to make good progress on the Local Plan, but the implications of the recent consultations will inevitably have consequences for the published timetable.
- The report to the Planning and Transportation Advisory Board on the 5th December will provide Members with an update on progress, but also explain the implications of the consultation on the Local Plan Timetable.
- It is unlikely now that the anticipated Regulation 19 consultation in respect of the draft Local Plan will commence in February, but we are optimistic that this can take place later in 2018 meaning that our anticipated adoption date is still achievable in 2019.

Any Questions?

- This Power Point Presentation will be circulated to all Local Councils after the Panel meeting.
- If you have any detailed questions relating to the DCLG consultation, the Borough Council's response or the Local Plan please do not hesitate to contact the Local Plans Team in the first instance.
- There will be further opportunities for Local Plan Updates to this Panel in due course.