

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PLANNING & DEVELOPMENT COMMITTEE

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Agenda Item No. 9

meeting date: THURSDAY, 26 NOVEMBER 2018  
title: CONSULTATION ON UPDATES TO NATIONAL PLANNING POLICY  
GUIDANCE  
submitted by: DIRECTOR OF ECONOMIC DEVELOPMENT & PLANNING  
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### 1. PURPOSE

1.1 To consider the Council's response to the Governments Technical consultation on updates to national planning policy.

1.2 Relevance to the Council's priorities:

- The matters covered in this report will contribute to sustaining a strong and prosperous Ribble Valley through matching the supply of housing to needs and to protecting and enhancing the area's environmental quality.
- Corporate Priorities – The document that is the subject of this report relates to Council ambitions of maintaining an up to date Local Development Framework.
- Other Considerations – it is important to contribute to major government planning proposals.

### 2. INTRODUCTION

2.1 The National Planning Policy Framework (NPPF) is a central component of government planning policy. Government published a revised NPPF in July 2018 followed in September by updated National Planning Policy Guidance (NPPG). Together these introduced some significant changes to planning policy with a focus upon the delivery of housing and attaining the government's objective of significantly boosting housing supply.

2.2 As part of the changes the revised NPPF introduced a standard formula for establishing local housing need, delivery tests to measure how local authorities were performing in bringing housing forward together with a series of other areas of revised and new guidance.

2.3 At the time of publication it was recognised by government that impacts arising from changes to national data sets in the form of Household projections could mean that the Government targets for the supply of housing would be under shot significantly applying the new approach. Government has consequently published a Technical consultation paper on revisions to national policy that it intends to introduce as a result of the subsequent publication of updated ONS data.

The full consultation paper can be viewed via the following link, and a paper copy has been placed in the member's room on level C.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/751810/LHN\\_Consultation.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/751810/LHN_Consultation.pdf)

- 2.4 The deadline for the Council to submit its formal response is FRIDAY 7<sup>th</sup> December. The Government has indicated that it will look to publish the revised policy as soon as possible thereafter.
- 2.5 The proposed response to the consultation is set out in Appendix 1 to this report.
3. MAIN PROPOSED CHANGES
  - 3.1 The proposed changes are focused on the approach to Local Housing Need Assessment and in particular the issues that applying the latest 2016 population projections will generate following their publication in October 2018. In essence the projections would lead to a significant reduction in housing, well below the levels anticipated with projected national requirements falling from 269,000 to 213,000. The Consultation paper sets out how the government has assessed its objectives together with the baseline projections and determined that it should not revise its aspirations for growth. In part this is because of concerns that the 2016 projections are affected by a change in methodology, there are a number of wider determinants that also have an impact on the need for housing which have to be factored in around the way the standard model is applied.
  - 3.2 It is proposed that for the purposes of establishing housing need through the standard formula that the 2014 Household projections should be utilised and the proposal is to make three changes to the guidance, namely
    - For the short term, to specify that the 2014 based data is used as the demographic baseline;
    - To confirm that lower housing figures generated by applying the 2016 based projections do not qualify as an exceptional circumstance under the guidance to warrant a departure from the standard methodology;
    - In the longer term to review the formula to establish a new method that meets the governments expressed principles of providing stability and certainty to the process, ensuring that planning responds to both demographics and price signals and to ensure that planning policy supports a housing market that works for everyone.
  - 3.3 The consultation paper re-emphasises that in establishing housing need (requirement) this is not a mandatory target it is simply a starting point for planning and authorities can choose to plan in excess of this target or demonstrate why it is unable to accommodate the requirement. This re-affirms that your housing requirement figure is a minimum.
  - 3.4 One of the aspects that is proposed is to clarify how the cap to housing numbers is applied as currently included in the standard method. The proposal is to confirm that the cap is applied to the total plan requirement figure as opposed to capping based on the requirement for individual authorities in order to simplify the calculation. The clarification is welcome, however unless in future plan making work there is a need to establish

shared requirements across authorities this is of less significance to Ribble Valley at present.

- 3.5 It is proposed to introduce some minor amendments to the text of the framework in order to clarify the basis upon which housing land supply is determined and more specifically how local planning authorities apply the existing housing requirement set out in up to date plans (for Ribble Valley, currently the councils adopted core strategy until December 2019) and, at what point the requirement generated from the standard methodology is applied.
- 3.6 It is intended to make it clear that authorities should only move away from the standard methodology whilst strategic plans are being produced rather than using alternative approaches and calculations of need in determining applications or appeals. This reinforces the approach that strategic requirements that do not employ the standard methodology are set through plan making.
- 3.7 As members are aware a key part of the revised NPPG, published in September 2018, was the change to definitions of what can be determined as 'deliverable' when assessing the 5 year supply. The definition as published does have an impact upon how outline applications are treated in the assessment meaning that substantive evidence had to be demonstrated in relation to all outline applications. It is proposed to clarify that sites which are not major development and only have an outline are to be considered deliverable. Local Planning Authorities would have to demonstrate deliverability of major sites with Outline permission in order to take these into account in supply calculations. This is to be welcomed.
- 3.8 The government is also proposing an additional clarification in relation to development requiring Habitats Regulations Assessment. This is as a result of a European Court of justice ruling and will serve to ensure that the NPPF reflects the outcome of the case.
- 3.9 As part of the consultation it has been indicated that further revisions to the standard methodology and policy will be prepared and consulted on. The purpose of this consultation is to introduce as quickly as possible updates that address the immediate impact of the 2016 household projections and effectively maintain housing requirements at an aspirational level as well as clarifying some aspects that have proved difficult to interpret consistently. It is helpful to have the clarifications but it is evident that the Councils ongoing plan review work is likely to need to take into account further policy changes and household projections that could raise issues in reviewing the local plan.

#### 4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications:
  - Resources – No direct in house staff and other in house resources will be required at this stage.
  - Technical, Environmental and Legal – None.
  - Political – No direct political implications.

- Reputation – It is important that the Council responds to important national planning policy consultations.
- Equality & Diversity – No implications identified.

**5 RECOMMENDED THAT COMMITTEE**

- 5.1 Note the consultation and agree the proposed response as set out in Appendix 1 be submitted on behalf of the Council.

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**TECHNICAL CONSULTATION  
ON UPDATES TO NATIONAL PLANNING POLICY  
AND GUIDANCE  
PROPOSED CONSULTATION RESPONSE**

- 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?

**PROPOSED RESPONSE**

Given the concerns raised by Government regarding the implications of the 2016 Household Projections it is important that if these are to be disregarded then a clear statement needs to be made to that effect. In the absence of any revised figures which will take time to put in place applying the next most recent set of data is a reasonable approach. The consultation document sets out the justification for the change, there will be much debate about the matters considered, not least by many authorities that were anticipating lower levels of housing growth as a result of applying the new methodology. What is vital at all stages is that the implementation of policy is clear. The proposed amendment may not be ideal as a principle but it will enable a clear interpretation to be put in place quickly. It is important however that the proposed review of methodology is undertaken as soon as possible to ensure LPA's can move forward with some confidence and that the uncertainty of forthcoming revisions is kept to a shorter timeframe as possible.

- 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?

**PROPOSED RESPONSE**

Yes. If the recent 2016 projections are not considered appropriate there should be no scope to then apply them as an exception. The wording of the current guidance needs to ensure that the position is clear.

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

**PROPOSED RESPONSE**

Yes. The proposal will make the application of policy more straightforward and is supported.

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

**PROPOSED RESPONSE**

Yes.

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

**PROPOSED RESPONSE**

Yes. In most cases outline applications for minor developments will be delivered. Generating the evidence to support this is disproportionate. It is far more important to ensure that delivery on major developments is fully understood because outline housing applications are often a key part of supply.

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

**PROPOSED RESPONSE**

Yes. This seems reasonable.