



Ministry of Housing,
Communities &
Local Government

Government response to the technical consultation on updates to national planning policy and guidance

A summary of consultation responses and the Government's
view on the way forward



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Introduction

The publication of new household projections by the Office for National Statistics has led to a significant reduction in the overall numbers generated by the standard method for assessing local housing need.

On 26 October 2018 the Government published the *Technical consultation on updates to national planning policy and guidance*. The consultation paper set out proposals to update planning practice guidance on housing need assessment to be consistent with the Government's ambitions for increasing housing supply.

The consultation also proposed clarifications to national planning policy on:

- housing land supply
- the definition of "deliverable"
- appropriate assessment for habitats sites

The consultation closed on 7 December 2018 and all responses have been carefully considered.

Overview

There were 511 responses to the technical consultation. Not all respondents answered every question. All responses have been analysed and given full consideration in the preparation of this response. We are grateful to everyone who took the time to respond. The table below provides a breakdown of the general consultation responses by type of respondent.

Type of consultation respondent

Local authority ¹	110
Neighbourhood planning body, parish or town council	16
Private sector organisation ²	42
Interest group or voluntary organisation ³	41
Other	23
Organisation total	232
Personal view	279
Total number of responses	511

This document provides a summary of the consultation responses received. It does not attempt to capture every point made. It also sets out the proposed changes the Government is making to national planning policy and guidance in the light of its proposals and the consultation responses. Where the Government has decided not to make further changes to the consultation proposals, the reasons are explained.

¹ Including any responses from National Parks, the Broads Authority, the Greater London Authority and London boroughs.

² Including house builders, housing associations, businesses and consultants.

³ Including trade associations and charitable organisations.

Local housing need assessment

Question 1

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?

Question 1 response

There were 498 responses to this question. Of the organisations that responded, over a third (36%) agreed with the proposal, more than half (55%) disagreed and the remaining respondents were not sure. There was minimal support from individuals (9% agreed), 7% were not sure and 84% disagreed with the proposal. Points raised include:

- About a third (31%) of the local authorities accepted the proposal as a practical temporary measure, though many, both for and against the proposal, want a review of the assumptions underlying housing need assessment and were concerned about the impact on local authority resourcing if the method continues to change.
- There was strong support (85%) from the private sector who considered that the 2014 projections should be brought back into use or plan-making would be delayed.
- Some respondents requested the 'limited period' to be short and specified in guidance.
- Some respondents across groups raised concerns about the use of out-dated figures and highlighted that there are other approaches to assessing housing need that should be considered.

Government response

Having taken the responses into account, the Government considers that its proposed approach to providing the demographic baseline for the standard method is the most appropriate approach for providing stability and certainty to the planning system in the short-term. This decision has been taken in the context that the standard method does not represent a mandatory target for local authorities to plan for, but the starting point for the planning process. Local planning authorities may decide that exceptional circumstances justify the use of an alternative method, but they will need to identify these reasons and can expect them to be tested by the Planning Inspectorate during the examination of their plans. Local authorities may also not be able to meet their identified housing need in full, for example because of land constraints (such as Green Belt) in their area and it may be that need is better met elsewhere. The proposed approach does not change this.

Over the next 18 months we will review the formula and the way it is set using National Statistics data with a view to establish a new approach that balances the need for clarity, simplicity and transparency for local communities with the Government's aspirations for the housing market.

A key consideration of the standard method is to provide a degree of continuity between assessments of housing need over time. The changes to underlying assumptions in the population projections and methodological improvements to the household projections had led to significant variations in housing need at a local level, something that needs addressing in the short term. For the avoidance of doubt, the Government is clear that this does not mean that it doubts the methodological basis of the 2016-based household projections. It welcomes the work of the Office for National Statistics (ONS) following the transfer of the projections from the Ministry of Housing, Communities and Local Government and the steps they have taken to explain the projections, for example in their recent blog.⁴ The Government looks forward to the further work programme of the ONS to develop even greater confidence in the projections and is committed as the key customer to supporting the ONS ahead of the publication of the next projections.

Question 2

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?

Question 2 response

There were 475 responses to this question. Of the organisations, over a third agreed (39%) with the proposal, 8% were not sure and about half (53%) disagreed. There was minimal support from individuals (10% agreed), 5% were not sure and 85% disagreed.

- About a third (34%) of local authorities agreed with the proposal and stated that 2016 projections would lead to under-delivery. More than half (57%) of local authorities opposed it, noting that the 2016 figures were an improvement to the method and more reliable than earlier inputs. There was also a concern that disregarding the latest evidence ignored the principle in planning that the latest evidence should always be used.
- There was overwhelming support (90%) from private sector respondents who highlighted that using 2016 figures would lead to under-delivery. Some respondents also expressed concerns over the 2016-based projections and the method used to produce them.
- Several individuals commented that the 2016-based projections could be suitable for use in some areas; they were based on an improved method and more accurate; and as they were more recent than 2014-based projections, they could actually be used to justify lower housing need.

Government response

Taking into account these responses, the Government continues to think that the 2016-based household projections should not be used as a reason to justify lower housing

⁴ <https://blog.ons.gov.uk/2018/10/19/what-our-household-projections-really-show/>

need. We understand respondents' concerns about not using the latest evidence, but for the reasons set out in the consultation document we consider the consultation proposals to be the most appropriate approach in the short-term. We are specifying in planning guidance that using the 2016-based household projections will not be considered to be an exceptional circumstance that justifies identifying minimum need levels lower than those identified by the standard method.

Question 3

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

Question 3 response

There were 448 responses to this question. Of the organisations that responded, less than half agreed with the approach (44%), 29% were not sure and over a quarter (27%) disagreed. There was weak support from individuals (20% agreed), over a quarter (29%) were not sure and about half disagreed (51%). Points raised included:

- More than half (57%) of local authorities supported the proposal, many of which agreed with the proposal and noted that it would simplify the methodology and allow flexibility in London boroughs. Those that disagreed argued that the standard approach did not take into account the individual needs of an area.
- About half (49%) of the private sector respondents agreed with the approach and noted it would reduce the complexity of the method and would encourage strategic spatial planning.
- Many respondents who agreed with the approach specified that guidance would be necessary to clarify the implementation of the cap.
- Several respondents highlighted the importance of combined authorities agreeing with constituent authorities to achieve a joined-up approach.

Government response

Having taken the responses into account, the Government considers that its proposed approach to applying the cap to spatial development strategies provides clarity and simplicity. We are setting out how the cap needs to be applied in planning guidance. In response to concerns raised that this approach does not take into account the individual needs of the area, it should be noted that the method provides the minimum starting point in determining the number of homes needed in an area.

Housing land supply

Question 4

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

Question 4 response

There were 460 responses to this question. More than half (56%) of organisations were supportive of the proposed changes, 12% were not sure and about a third (32%) disagreed with the proposal. There was minimal support from individuals (14% agreed), 64% disagreed with the proposal and the remaining respondents were not sure. Points raised included:

- There was considerable support from local authorities (70%) on the basis that the proposed changes provide clarity and offer certainty.
- More than half (55%) of private sector organisations agreed with the proposals because it offers consistency and transparency during the application and appeals process.
- There was considerable opposition (64%) from individuals, who were concerned that the proposed changes favour developers and could have a negative impact on local authorities, the neighbourhood planning process and Green Belt policy.

Government response

The Government welcomes the views submitted on this proposal. Taking into account the responses, it is felt that these clarifications will ultimately benefit all stakeholders and increase certainty in how five-year land supply is calculated. As the proposed change is no more than a clarification of the existing policy it should not have the sort of negative impacts that some responses have suggested. As a result, the Government intends to make these minor changes to the National Planning Policy Framework and is publishing an updated version on the website.

The definition of “deliverable”

Question 5

Do you agree with the proposed clarification to the glossary definition of “deliverable”?

Question 5 response

There were 461 responses to this question. Of the organisations that responded, about half (51%) agreed with the proposal, 15% were not sure and about a third (34%) disagreed. Over a quarter of individuals supported the proposal (29% agreed), 18% were not sure and 53% disagreed. Points raised include:

- There was considerable support (68%) for the proposal from the private sector, although some concerns were raised that sites will need longer than five years to be built out.
- About half (54%) of local authorities agreed with the proposal, although some felt that it may make delivery harder to demonstrate, resulting in sites being removed from plans and therefore make it more difficult for authorities when demonstrating a five year land supply.
- Many respondents across the groups suggested that sites with outline planning permission and / or sites that are included within local plans should be included in the definition of deliverable. Many respondents also suggested that the proposal would result in developers using specialist knowledge and resources to influence planning decisions in their favour, as well as complaints concerning land banking.

Government response

The Government welcomes the views submitted on this proposal. Taking them into account, it considers that the revised definition does provide helpful clarification of the approach established already in the National Planning Policy Framework. The concerns that have been expressed relate more to this overall approach than the merits of the clarification (and the relevance of the overall approach was considered when the Framework was being finalised, following the consultation in the spring of 2018). The changes to the definition that the present consultation proposes should not make it harder for authorities to demonstrate that they have a deliverable portfolio of sites; indeed, it makes it clearer that non-major sites with outline consent should be considered deliverable unless there is evidence to the contrary. We are, however, providing further information on applying the approach through planning practice guidance.

Development requiring Habitats Regulations Assessment

Question 6

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

Question 6 response

There were 453 responses to this question. Of the organisations that responded, there was strong support (74%) for the proposal, 12% were not sure and 14% disagreed. Over a third of individuals (35%) supported the proposal, 19% were not sure and about half (46%) disagreed. Points raised included:

- There was strong support (86%) from local authorities who said the proposal clarified the implications of the European Court judgment.
- There was strong support (79%) from the private sector who expressed the view that the proposal would remove any potential barriers to new development as a result of the judgment.
- About half (46%) of responses from individuals disagreed with the proposal, with the use of the word 'significant' as the single largest concern.

Government response

The Government welcomes the strong support for this proposal, and so intends to make the change proposed. In light of a consultation response suggesting that the amendment could more closely reflect the statutory wording, we are however amending the final part of the revised text of paragraph 177 to “...*unless an appropriate assessment has concluded that the plan or project will not adversely affect the integrity of the habitats site*” to improve alignment with the Habitats Regulations. A number of responses raised concern with the use of the word 'significant', however this is important to ensure the Framework remains aligned with the Habitats Regulations.