

## **Report to the Local Plan Cabinet Committee**



**Epping Forest  
District Council**

**Report reference:** **LPC-004-2018/19**  
**Date of meeting:** **22 November 2018**  
**Portfolio:** **Planning and Governance**  
**Subject:** **Recent Government consultations**  
**Responsible Officer:** **Alison Blom-Cooper (01992 564066)**  
**Democratic Services:** **Vivienne Messenger (01992 564265)**

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### **Recommendations/Decisions Required:**

- (1) To agree the proposed EFDC response to the MHCLG technical consultation set out in paragraphs 5-10 of this report on '*Changes to planning policy and guidance including the standard method for assessing local housing need*'.**
- (2) To note the consultation on proposed planning reforms to support the high street and increasing the delivery of new homes and delegate the Council's response to the Planning Services Director in conjunction with the Portfolio Holder**
- (3) To note the publication of the Government's response to the consultation on supporting housing delivery through developer contributions**

### **Executive Summary:**

This report seeks:

- a) Members approval of the proposed response to the MHCLG technical consultation '*Changes to planning policy and guidance including the standard method for assessing local housing need*' which was published on 26 October and invites comments by 7 December 2018.
- b) To note the consultation on proposed planning reforms and increasing the delivery of new homes published on 29 October 2018 with a closing date for comments of 14 January 2019
- c) To update members on the Government's response to the consultation on supporting housing delivery through developer contributions.

### **Reasons for Proposed Decision:**

This MHCLG technical consultation and the consultation on proposed reforms will inform further updates to national planning policy guidance, which will have a significant bearing on local plan-making as well as decision-making. It is therefore prudent for the Council to provide a formal response to this consultation.

The Government also published its response to a previous consultation on '*Supporting housing delivery through developer contributions: Reforming developer contributions to affordable*

*housing and infrastructure*' (Consultation ran from 5 March to 10 May 2018). In its response the Government proposes a number of potential changes to Community Infrastructure Levy and S106 pooling restrictions. If implemented, these proposed changes could have a significant impact on how the way this Council collects developer contributions for infrastructure delivery.

### **Other Options for Action:**

Not to update members on the MHCLG consultations and the Government response to the consultation on supporting housing delivery through developer contributions.

### **MHCLG technical consultation on changes to planning policy and guidance including the standard method for assessing local housing need'**

1. Following the publication of the revised NPPF in July 2018 and the release of the 2016 based household projection in September, the Government published a technical consultation on 26 October 2018 '*Changes to planning policy and guidance including the standard method for assessing local housing need*' with responses to the consultation due on Friday 7 December 2018.
2. The consultation sets out how the proposals to alter the standard method for assessing local housing need to ensure that it is consistent with increasing the supply of homes. This will mean that local authorities would continue to use the 2014 based household projections when using the standard method to assess the minimum number of homes needed in their area rather than using the 2016 based household projections which were published in September. Plans submitted on or before 24 January 2019 can be based on existing assessments of housing need.
3. The Government considers that the best way of responding to the new ONS 2016 household projections published in September 2018 and delivering on the three principles it has identified (providing stability and certainty for local planning authorities and communities; ensuring that planning responds not only to movements in projected household but also to price signals; and ensuring planning policy supports a housing market that works for everyone) is to make the following three changes:
  - a. For the short-term, the 2014-based household projection (instead of the recently published 2016-based projection) will be used as a baseline for assessment of local housing need.
  - b. That lower numbers through the 2016-based projections do not qualify as an exceptional circumstance that justifies a departure from the standard methodology; and
  - c. In the longer term, the Government will review the formula for assessing local housing need with a view to establishing a new method by the time the next projections are issued.
4. The consultation document also included a number of proposed clarifications of national planning policy on:
  - Housing land supply - proposed amendments to footnote 37 and the glossary definition of local housing need to clarify the relationship between local housing need and the standard methodology.

- Proposed amendment to the glossary definition of ‘deliverable’ to clarify that, in essence, smaller sites with planning permission and larger sites with detailed permission will be deemed deliverable unless there is evidence to suggest otherwise. On the other hand, larger sites with outline permission, and allocated sites without permission can only be treated as deliverable if there is clear evidence to justify.
  - Appropriate Assessment – A proposed amendment to paragraph 177 of the NPPF following the ruling of the European Court of Justice in the matter of People Over Wind and Sweeman v Coillte Teoranta (C-323/17) to clarify that 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.
5. A number of questions are set out in the consultation and proposed EFDC responses to these questions are set out below:

**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?**

**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?**

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

EFDC proposed response

6. The Council welcomes the clarifications provided. However, it is unclear as to how the Government is going to achieve its target of delivering 300,000 homes per annum by maintaining the current standard methodology. The annual local housing need for England as identified through the standard methodology with 2014 based demographic data would deliver approximately 266,000 per annum, some 11% short of the 300,000 target. The consultation document provides no indication as to how this gap will be bridged. Coupled with the proposed review of the formula, the consultation document risks generating additional uncertainty as a significant number of Local Planning Authorities will be left wondering whether their local housing need will change significantly (again) within the next two years.
7. The Council considers that the Government should provide much needed certainty and stability to LPAs, developers, infrastructure providers and other key stakeholders by establishing, through this consultation as opposed to a latter review, a robust methodology for assessing local housing need, which is also sufficiently flexible so that it does not require frequent updating.

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

EFDC proposed response

8. The Council welcomes proposed clarifications to footnote 37 and the glossary definition of local housing need.

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

EFDC proposed response

9. The Council welcomes proposed clarification to the glossary definition of deliverable.

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

EFDC proposed response

10. The Council welcomes proposed amendments to paragraph 177 of the National Planning Policy Framework.

**Planning Reform: Supporting the high street and increasing the delivery of new homes**

11. On 29 October 2018 MHCLG launched a consultation setting out proposals for permitted development rights to support the high street including allowing greater flexibility for change of use, extending buildings upwards to create new homes and removing the permitted development right for telephone kiosks and associated advertising consent. In addition, there are proposals to increase the height limit for electric vehicle charging points in off street parking spaces to accommodate rapid charging points and make permanent two time-limited rights to change use from storage or distribution to residential use and for larger home extensions. Views are also invited on the feasibility of a permitted development right for the redevelopment of a commercial site to create new homes.
12. The consultation also proposes to extend local authorities' freedoms to dispose of surplus land at less than best consideration without the Secretary of State's consent, invites comments on a draft listed building consent order to allow routine works to the Canal and River Trust's structures without the need for individual applications and on draft guidance on new town development corporations' compulsory purchase powers. The consultation closes on 14 January 2019. The consultation questions are appended to this report. It is proposed that a response will be drafted and agreed with the Portfolio Holder for submission before the deadline.

**Government response to the consultation on developer contributions**

13. In Spring 2018, the Government published a consultation on a series of proposed reforms to the existing system of developer contributions. The aim of the reform was to ensure that developers know what contributions they are expected to make, that local communities are clear about the infrastructure and affordable housing they will get, and that local authorities can hold them to account. The Government has now set out how it intends to take forward the reforms in their response to the consultation. These include:
  - Introducing a new tariff (Strategic Infrastructure Tariff) that will allow combined authorities to collect funds from developers towards strategic infrastructure that benefits multiple areas.
  - Removing restrictions on how planning obligations can be used, so that local authorities have greater flexibility to secure the funds they need to deliver infrastructure. These pooling restrictions will be lifted across all areas.

- Measures to make Community Infrastructure Levy (CIL) rates more responsive to changes in the value of development. We will consult on indexation proposals.
- Increasing transparency, by requiring authorities to publish more details on what has been collected and spent, so that local communities can see the value of developer contributions secured.
- Increasing certainty for developers on the contributions that they are required to make, by clarifying regulations.

14. Legislation will be required to implement the changes set out in the consultation document. Consultation on the draft regulations is expected to take place later this year.

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### **Resource Implications:**

There are no resource implications

### **Legal and Governance Implications:**

The National Planning Policy Framework and relevant guidance are material consideration for in determining planning application.

### **Safer, Cleaner and Greener Implications:**

There are no Safer, Cleaner and Greener Implications

### **Consultation Undertaken:**

No consultation undertaken

### **Background Papers:**

The MHCLG technical consultation document is available at <https://www.gov.uk/government/consultations/changes-to-planning-policy-and-guidance-including-the-standard-method-for-assessing-local-housing-need>

The Governments' response to the consultation on developer contributions is available at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/752183/Developer\\_Contributions\\_Government\\_Response.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/752183/Developer_Contributions_Government_Response.pdf)

Planning reform: supporting the high street and increasing the delivery of new homes <https://www.gov.uk/government/consultations/planning-reform-supporting-the-high-street-and-increasing-the-delivery-of-new-homes>.

All relevant Submission documents, including the evidence base, are available to view from the EFDC Local Plan website at <http://www.efdclocalplan.org/>

### **Risk Management:**

The Council needs to be aware of any potential changes in national planning policy and regulations so that these changes, once implemented can be swiftly incorporated in local plan making and the decision-making process.