



PINS NOTE 11/2017

To: All Inspectors, All Examining Inspectors.

Relevancy: Planning casework, Local Plans (both England only)

Date of Issue: 18 September 2017

Review Date: 31 March 2018

Planning for the right homes in the right places - Consultation Proposals

Action

1. On **14 September 2017**, the Government launched a follow-on consultation¹ on proposals within the Housing White Paper "Fixing our broken housing market" (see PINS Note 01/2017). The proposals consulted upon address and build upon those proposals within the White paper concerned with planning for the right homes in the right places². The consultation runs until **9 November 2017**.
2. The consultation seeks view on changes to national policy intended to help local planning authorities and communities plan for and deliver the homes they need, including:
 - The approach to a standard method for calculating housing need;
 - improving how authorities work together in planning to meet housing and other requirements across boundaries;
 - how the new approach to calculating housing need can help authorities plan for the needs of particular groups and support neighbourhood planning;
 - proposals for improving the use of section 106 agreements by making the use of viability assessments simpler, quicker and more transparent; and
 - seeking further views on how homes can be built out more quickly.
3. Subject to the outcome of the consultation, and the responses received to the consultation questions included within the housing White Paper, the Government intends to publish a draft revised

¹ Planning for the right homes in the right places: consultation proposals (14 September 2017)

² Step 1: Planning for the right homes in the right places; Annex A: Proposals from Chapter One

National Planning Policy Framework early in 2018. The Government intends to allow a short period of time for further consultation on the text of the Framework to make sure the wording is clear, consistent and well-understood, with the ambition of publishing a revised, updated Framework in Spring 2018.

4. In taking forward the proposed changes to the Framework, some amendment will also be required to planning guidance. The Government will use the responses to both consultations to help shape changes to the guidance, which is intended to be updated and made available alongside the revised Framework.

Appeals Casework

5. Inspectors must consider each case on its merits, and judge whether, according to the matters at issue in the appeal, it would be appropriate or reasonable to offer parties an opportunity to comment on any implications arising from these current consultation proposals, noting that they do not yet form part of Government policy and may be subject to further change. It is currently anticipated that there will be few specific circumstances where going back to parties will be necessary.
6. Where, previously, parties to an appeal have been offered an opportunity to comment on the White Paper proposals (and submitted such comments), it is likely to be appropriate to seek their further views as to whether the content of the consultation has resulted in any change to their position in respect of that appeal.
7. If an Inspector decides that an opportunity to comment should be offered, s/he should ask the case officer to contact the relevant parties and set a period of not more than 10 working days to respond.
8. It is not expected that it would be necessary to consider the re-opening of a Hearing or Inquiry based on comments received on this consultation, particularly if any earlier comments on the implications of the White Paper did not indicate that such a re-opening was appropriate though, as before, Inspectors should consider each case on its merits.
9. Whilst it is a matter for the individual decision-maker, given that these proposals are subject to further consultation, and are thus not currently Government policy, the decision-maker will need to decide what weight, if any, to attach to the proposals and have clear reasons for doing so.
10. In the event that parties submit unsolicited (late) representations on the basis that the content of this White Paper consultation has a bearing on their case, subject to being satisfied that the suggestion is reasonable, Inspectors are advised to accept them and to provide an opportunity for other parties to the appeal to comment.

Local Plan Examinations

11. The purpose of the examination is to test whether the plan has been prepared in accordance with the legal requirements and is sound. The current criteria for soundness are set out in paragraph 182 NPPF.
12. 'Planning for the right homes in the right places' is a consultation document and the proposals do not yet form part of Government policy. Inspectors should have regard to this overall context and adopt a proportionate approach that ensures that plans that are at examination stage are not unnecessarily delayed.
13. In particular, Inspectors should note that the consultation contains proposals for the transitional arrangements that will apply for the new methodology for calculating local housing need³, and application of the new tests of soundness⁴. It is intended that the proposed standard methodology for calculating housing need will not apply for plans submitted on or before 31 March 2018, or before the revised Framework is published (whichever is later) and that the new tests of soundness will not be applied until 12 months after the revision of the Framework.
14. In light of this, and having regard to the particular circumstances of the examination, it will be for Inspectors to decide whether it would be appropriate or necessary to seek the views of the LPA in the first instance. This could involve asking a question along the following lines.

"The consultation document "Planning for the right homes in the right places" sets out a proposed approach to calculating local housing need, on which the Government is seeking further views. It also sets out proposed transitional arrangements for applying that approach. For plans at the examination stage, the proposed transitional arrangement is to progress with the examination using the current approach. In this context, does the LPA consider that there are any implications for the current examination?"

15. If you would like to discuss the most appropriate approach, please contact your SGL or local plan mentor in the first instance and/or, if necessary the GM (Plans). If the LPA advises that it would like the examination to continue in line with the proposed transitional arrangements, it is unlikely that any further actions will be necessary.

Background

16. The measures in the consultation document build on those set out in the housing White Paper published in February 2017. The

³ Table 1: Proposed transitional arrangements (pg. 20)

⁴ Para 84 (pg. 27)

approach proposed is intended to help local authorities plan for the right homes in the right places, by creating a system that is clear and transparent so that every community and local area understands the scale of the housing challenge they face. The approach proposed is intended to give local communities greater control so they can make informed decisions about exactly where homes should be built. The proposals in the consultation are described as 'providing a more robust starting point for making these decisions'.

17. Of particular note, the proposals include a method for calculating local housing need based on three key principles:

- Simple – an easy and transparent process;
- Based on publicly available data;
- Realistic – to reflect the actual need for homes in each area

with a 3-step approach proposed:

- Step 1: Setting the baseline
- Step 2: An adjustment to take account of market signals
- Step 3: Capping the level of any increase

18. Alongside the consultation document, a 'Housing need consultation data table' has been published. This sets out the housing need for each local planning authority using the Government's proposed method, how many homes every place in the country is currently planning for, and, where available, how many homes they believe they need.
19. Recognising that the housing White Paper sets out a number of proposals to support plan production, as a further way of encouraging LPAs to get plans in place, the Government intends to set out the circumstances in which a planning application (and hence, appeal) may be refused on the grounds of prematurity, within the revised NPPF, rather than in guidance. This is designed to prevent emerging plans, where they are at an advanced stage of production, from being undermined by proposals that are allowed before the plan can be finalised.
20. The consultation includes 19 questions across the topics identified in paragraph 2 above. Recognising that a number of the proposals set out in the consultation are closely related to, or impact upon, measures proposed in the housing White Paper, a further opportunity to supplement responses already submitted as part of the earlier consultation is being provided, but only in respect of questions affected by this latest consultation.
21. The consultation begins on **14 September 2017** and runs for 8 weeks until **9 November 2017**.

Contacts for further information

22. Please contact XXXX if you have any general queries on this Note.
23. In the first instance please contact your SGL or Local Plans mentor for advice on appeal and local plan casework, as appropriate. If necessary, queries may be escalated further for a GM view (SGLs/Local Plans mentors should contact XXXX to arrange in those circumstances). Non-salaried Inspectors should approach XXXX with any queries in the first instance, on which XXXX will liaise with XXXX.