

# White Paper: Planning for the Future

## Briefing Note: The Implications for South East England

Date: 20<sup>th</sup> August 2020

Ref No: 335

### Introduction

It is important to note with all the excitement generated around the White Paper that there are in fact two consultations being undertaken with two different deadlines. Both are summarized below. The first set of changes can be delivered through amendments to policy and do not require legislative changes.

### Changes to improve the effectiveness of the current planning system

Responses to these proposed policy changes are due on 1<sup>st</sup> October 2020. These include:

- Changes to the standard method for calculating the **housing requirement**:
  - Step 1: Changes to methodology to reflect size of existing dwelling stock as well as population and household projections
  - Step 2: Changes to methodology to reflect both current affordability ratio and changes to affordability over time.
- Delivering “**First Homes**”
  - These are to make up at least 25% of all affordable housing on sites
  - These are homes for sale at 30% market discount
  - These can be delivered as exceptions sites and include a small element of market housing to assist viability.
- Supporting **SME housebuilders** – deferring CIL and potentially reducing contributions
- **Small Sites** - Increasing the size of site before **affordable housing** is required from 10 dwellings to 40 or 50 dwellings
- Extension of **Permission in Principle** to Major developments.

### White Paper Planning for the Future

Responses to these proposed changes are due on 29<sup>th</sup> October 2020. The proposed changes include:

- Simplification of **Local Plans** placing all land into one of the three categories (but each having the possibility of more detailed annotations):
  - **Growth Areas:** Areas of new

development / redevelopment which would have outline approval (provided compliance with design codes).

- **Renewal areas:** Existing built up areas appropriate for smaller scale development, infill or “gentle densification”. Presumption in favour of development for specified suitable uses.
- **Protected Areas:** Areas of environmental or cultural characteristics where more stringent control applies. This would include large areas such as Green Belt AONB but also small areas like residential gardens
- **National Design Codes, Development Management Policies and Conditions.**
- Streamlined **Plan Making**
  - Stage 1: Call for “Suggestions” of areas to be included in the 3 zones (6 months)
  - Stage 2: Evidence base and drafting of plan (12 months)
  - Stage 3: Consultation and Submission (6 weeks)
  - Stage 4: “Hearing” of comments by inspector (9 months)
  - Stage 5: Adoption (6 weeks)
  - Single test of soundness on “Sustainable Development” with a slimmed down test of deliverability OR self-certification by LPA’s
  - Increased use of digital technology for consultation
  - 30/42 Months to produce new Local Plan
- Changes to the standard method for calculating the **housing requirement** by adding **Step 3** a revision of the requirement to take account constraints such as green belt and AONB as well as opportunities like previously developed land.
- **No 5 year land supply** requirement for housing
- **No Duty to Cooperate**
- Quicker and simpler assessments of **environmental impact**
- Reforms to S106 and Community Infrastructure Level (CIL)

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### The potential impact for South East England (SE)

The headline impact for the SE is the overall scale of the need identified compared to the calculation using the “original” (2014) based standard method, though it firstly has to be recognised that no adopted plans are based on this. Table 1 demonstrates those local planning authorities where there is an increase if requirements are calculated using the revised approach and Table 2 a decrease.

For the South East, the uplift from the existing Standard Method is 20%. This is marginally below the overall impact of the “revised” standard method proposals across England indicating a 22% uplift. Amongst the 67 of individual authorities within the South East 44 (66%) record an uplift, however 23 authorities indicate a decrease compared to the current calculation of local housing need (out of a total of only 87 across England). This illustrates that the potential implications for plan-making across the South East are substantially more varied than the overall figure suggests.

The reason for this greater variation is two-fold, firstly, the differences between the 2014 and 2018 household projections also and the impact of the new affordability calculation.

In absolute terms the impact is greater where the calculation shows an uplift, with the potential requirement for some areas being more than double and 9 authorities where with an increase of 500 or more units annually. For those areas where a decrease is suggested there are no cases where need falls by more than 500 units per annum. Potential impacts from the uplift and decrease are not concentrated geographically; for example, the neighbouring former Aylesbury Vale and Milton Keynes show changes of +57% and -21.50% respectively. This raises issues with how the proposed changes reflect economic growth with Milton Keynes being one of the fastest growing economies in the SE.

Like the previous transitional arrangements (from the 2012 to 2018 NPPF) the arrangements now proposed will allow for those plans that are presently in preparation, i.e. at or close to the Regulation 19 submission, to be taken though the system (a process which in some cases has taken years under the last set of transitional arrangements). As such “new style” Local Plans maybe a considerable time away for some areas.

**Table 1: Comparison of Dwellings required under New (2020) and Existing (2014 based) Standard Method (Uplift).**

LPA	2014 LHN	2020 Revised SM	% Difference
Vale of White Horse	661	1447	118.8%
Dover	596	1279	114.7%
Wokingham	762	1635	114.6%
Horsham	828	1715	107.1%
Havant	504	963	91.1%
Dartford	776	1441	85.6%
Chiltern	343	619	80.8%
Hart	283	512	80.7%
Cherwell	755	1305	72.9%
Tonbridge and Malling	843	1440	70.8%
East Hampshire	549	932	69.8%
Winchester	613	1025	67.2%
Arun	1240	2063	66.4%
Rother	736	1173	59.4%
Aylesbury Vale	1398	2197	57.1%
Rushmoor	260	401	54.3%
Waverley	548	835	52.3%
Isle of Wight	688	1045	52.0%
Chichester	753	1120	48.8%
Test Valley	550	813	47.7%
Swale	1038	1483	42.9%
Folkestone and Hythe	752	1043	38.7%
West Berkshire	513	692	34.9%
Maidstone	1186	1569	32.3%
Tunbridge Wells	678	893	31.7%
Bracknell Forest	614	805	31.1%
Mid Sussex	998	1305	30.8%
Eastleigh	694	885	27.5%
South Oxfordshire	577	723	25.3%
Ashford	970	1211	24.9%
Surrey Heath	328	408	24.6%
Mole Valley	453	563	24.3%
Elmbridge	633	774	22.3%
Windsor and Maidenhead	754	914	21.2%
Wycombe	755	889	17.7%
West Oxfordshire	563	653	15.9%
Sevenoaks	711	820	15.3%
Reading	649	700	7.8%
Epsom and Ewell	577	604	4.7%
Lewes	780	800	2.7%
Guildford	725	733	1.1%
Canterbury	1113	1125	1.0%
Hastings	451	453	0.4%
South Bucks	431	433	0.3%
<b>South East (SE) Total</b>	<b>51103</b>	<b>61276</b>	<b>20%</b>

**Table 2: Comparison of Dwellings required under New (2020) and Existing (2014 based) Standard Method (Decrease).**

LPA	2014 LHN	2020 Revised SM	% Difference
Worthing	885	871	-1.6%
Wealden	1225	1199	-2.1%
Reigate and Banstead	1139	1091	-4.2%
Thanet	1085	1023	-5.7%
Gosport	344	309	-10.3%
Brighton and Hove	1715	1520	-11.4%
Oxford	760	656	-13.6%
Portsmouth	855	730	-14.6%
Southampton	1002	832	-17.0%
Tandridge	646	533	-17.5%
Woking	431	348	-19.3%
Spelthorne	606	489	-19.3%
Crawley	751	598	-20.4%
Milton Keynes	1806	1417	-21.5%
Fareham	514	403	-21.5%
New Forest	1004	782	-22.1%
Basingstoke and Deane	884	684	-22.5%
Adur	438	326	-25.6%
Eastbourne	675	486	-28.0%
Medway	1662	1176	-29.2%
Slough	863	597	-30.8%
Runnymede	531	361	-31.9%
Gravesham	655	405	-38.2%
<b>South East (SE) Total</b>	<b>51103</b>	<b>61276</b>	<b>20%</b>

- Step 3 of the White Paper Standard Method allows constraints to be taken into account as part of the housing requirement figure. The process for making this final adjustment is unclear although one might speculate it would entail discussions between the councils and central government which would be beyond scrutiny. For areas around London with extensive **Green Belt**, together with **London** itself (whose requirement is calculated as being over 90,000 dwellings) this third step is likely to substantially reduce the starting figure.
- The reductions that will occur as part of the third step will not be made up in other areas as there are no requirement for unmet housing requirements in one authority to be accommodated by neighbouring authorities as there will be no **Duty to Cooperate** or **Statements of Comment Ground** in the 'New Style' Local Plan approach, where unmet housing requirement will simply remain unmet.
- These changes together with the removal of the five year land supply test leave very few other levers available to government should authorities fail to

produce a plan or produce plans with zoning which are not capable of delivering requirements at the rates anticipated.

In respect of appeals the expectation is that these will be fewer as policies will be clearer and that all local authorities will have a 5 year supply and up to date plans. Such a statement is perhaps less surprising if one takes in account the potential ability for councils to influence the housing requirement by reference to constraints in step 3 of the SM, and the slimmed down test of deliverability.

What is unclear is whether the "2 step" Revised Standard Method for calculating the housing requirement (as proposed in the changes to the current system) will be used for the Housing Delivery Test and the 5 year land supply calculation prior to the changes to the legislation. This is pertinent, for not only is the 3rd Step of the SM only contained in the Planning for the Future consultation (not the proposed changes to current system) but also because the 5 year land supply test is proposed to be removed in the Planning for the Future consultation. If the 2020 SM housing requirement is to be used in the 5 year land supply test, then the dramatic uplift in the SM in some areas would clearly put some LPAs at significant risk in the short term.

These changes may have a substantial impact on the process for the allocation and promotion of land for development, as well as impacting on gaining developable permissions and the role of appeals. Therefore, it is important that all those who operate within the system consider these proposals and make representations.

**If you wish to discuss the implications of these proposed changes or how to now produce future strategies in these potentially uncertain times, please contact us as we would be happy to discuss.**

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Estimate of CLG Revised Standard Method  
South East Region

