

## South West Planning Update – The New Standard Method & Housing Delivery Test 2020

Date: 26 January 2021  
Ref No: 345

On 16 December 2020 the Government announced a new Standard Method for calculating local housing need. This briefing note sets out the affects this has in the South West.

The new Standard Method adds an additional uplift of 35% to focus more homes to be built in the 20 most populated cities and urban centres in England. This means that for the majority of local planning authorities the revised Standard Method will not affect their Local Housing Need (LHN).

In the South West, only two local authorities are within the top 20 most populated in England – Bristol, and Plymouth. There is also the curious case of Bournemouth Christchurch and Poole (BCP) which should be included in the top 20 but isn't. This briefing note sets out the implications of the changes in these areas.

### West of England

The West of England Combined Authority (WECA) is at the early stages of preparing the Spatial Development Strategy (SDS). The current SDS timeline shows consultation in the second half of 2021 and Examination in 2022. As the SDS is still far from Regulation 19 stage, the Plan will fall outside the transition period for plan-making and so will need to plan for the level of housing shown by the new Standard Method.

The SDS will cover the WECA area, which includes Bath & North East Somerset, Bristol, and South Gloucestershire Councils. Under the new Standard Method Bristol are now required to add a Cities and urban centres uplift of 35% meaning their LHN increases to 3,196 dwellings per annum (dpa) from 2,368 dpa under the old methodology. B&NES and South Gloucestershire remain unchanged. This means **the WECA annual housing need is now 5,256 dpa, up from 4,428 dpa** under the old methodology.

The SDS will set out the vision for the West of England for the next 20 years. This means it will need to plan for a minimum of 105,120 dwellings. This is similar to the housing target in the withdrawn Joint Spatial Plan (JSP) which made provision for a minimum of 105,500 homes. However, the JSP included North Somerset, which will not form part of the SDS. In short, the SDS will need to deliver

the same quantum of housing as the JSP but contained within 3 authorities rather than 4.

The updated PPG states that for areas which are part of a joint plan, then it will be for the relevant strategic policy-making authority to distribute the total housing requirement which is then arrived at across the plan area. However, PPG specifies that the increase in the number of homes to be delivered in urban areas is expected to be met by the cities and urban centres themselves, rather than the surrounding areas, unless it would conflict with national policy and legal obligations.

North Somerset will not be covered by the SDS and they are preparing their own Local Plan. This will use the LHN calculated using the standard method, which remains unchanged at 1,365 dpa. This is equivalent to 27,300 dwellings over a 20-year period – slightly higher than the 25,000 dwelling target in the withdrawn WoE JSP.

### Plymouth and South West Devon

Plymouth & South West Devon Joint Local Plan was adopted March 2019 and so its policies will need to be reviewed by March 2024. Until this time the policies within the Plan are considered up to date. However, the recent changes to the standard method will require a longer-term requirement for increased levels of delivery.

The Plan identifies Objectively Assessed Need (OAN) for the Plymouth Housing Market Area (HMA) (covering Plymouth, South Hams and West Devon district areas but excluding Dartmoor) for at least 26,700 new dwellings between 2014-2034, equivalent to **1,335 dpa**.

The sum of the three districts' LHN under the new Standard Method, including a 35% urban and cities uplift for Plymouth, identifies a need for 1,517 dpa. However, this includes the parts of the districts covered by Dartmoor National Park. The PPG allows flexibility for areas with non-standard boundaries to define their housing need in ways which deviate from the Standard Method. However, taking a similar approach to that used in the HMA previously, an allowance of 600 dwellings (30 dpa) should be made for the part of the districts which lies within the national park. Accounting for this, the housing

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need for the Local Plan area under the new standard method would be 29,740 dwellings over 20 years (**1,487 dpa**).

### **Bournemouth Christchurch and Poole (BCP)**

BCP was created in 2019 by the merger of the areas that were previously administered by the separate authorities of Bournemouth and Poole, and the non-metropolitan district of Christchurch. For decision taking, planning policies adopted by predecessor authorities will remain part of the development plan for their area, until they are replaced by adopted successor authority policies or until the fifth anniversary of reorganisation.

Bournemouth and Christchurch both have Local Plans which are now more than five years old and so the standard method should be used for determining LHN in these former-district areas. Poole Local Plan was adopted in 2018 and sets a housing target of 14,200 (**710 dpa**) which will remain relevant for decision-taking until 2023 or until it is reviewed or superseded.

For plan-making, the re-organised BCP local authority should use a LHN for the merged authority area, which is at least the sum of the LHN of all the predecessor local authorities. As the new standard method still uses the 2014-based household projections, this will not be available at the re-organised authority level. Therefore LHN will have to be calculated at the predecessor local authority level. This means **the LHN for BCP remains unchanged** under the revised Standard Method at **2,626 dpa** (1,422 dpa for Bournemouth, 396 dpa for Christchurch, and 808 dpa for Poole). This is the LHN that will inform the new BCP Local Plan, however for the purposes of paragraph 73 of the NPPF and calculating housing land supply the five-year requirement for Poole will continue to be calculated using the adopted Local Plan figure of 710 dpa.

The new Standard Method applies an Urban and cities uplift to the top 20 urban authorities according to ONS's list of Major Towns and Cities by population size using the latest mid-year population estimates. This list includes Bournemouth at number 24 and Poole at 37. Accordingly, no additional uplift has been applied under the new standard method figures.

Curiously however, it appears that ONS's Major Towns and Cities list has not been updated to recognise the reorganised authority of BCP. If it did, Bournemouth/Poole would be the 8<sup>th</sup> most populous

urban area in England, and therefore a 35% uplift would apply to BCP. However, it would appear that for the moment BCP can continue to avoid the Urban and cities uplift as long as they can continue to rely on the sum of separate LHN calculations – which appears to be necessary as long as the standard method still relies on the 2014-based household projections.

### **Housing Delivery Test 2020**

The Housing Delivery Test (HDT) results for 2020 were released on 19 January 2020. This compares the number of new dwellings delivered in each local authority against the number of new dwellings required over the 3-year period from 2017-2020.

The 2020 HDT marks the end of the transitional arrangements for the HDT as set out in Annex 1 of the NPPF. This gradually increased the delivery threshold requirement for engaging footnote 7 of the Framework regarding presumption in favour of sustainable development. As of 2020 onwards, local authorities must deliver at least **75%** of their housing requirement or the presumption automatically applies. There are now four authorities in the South West where this applies – as shown below.

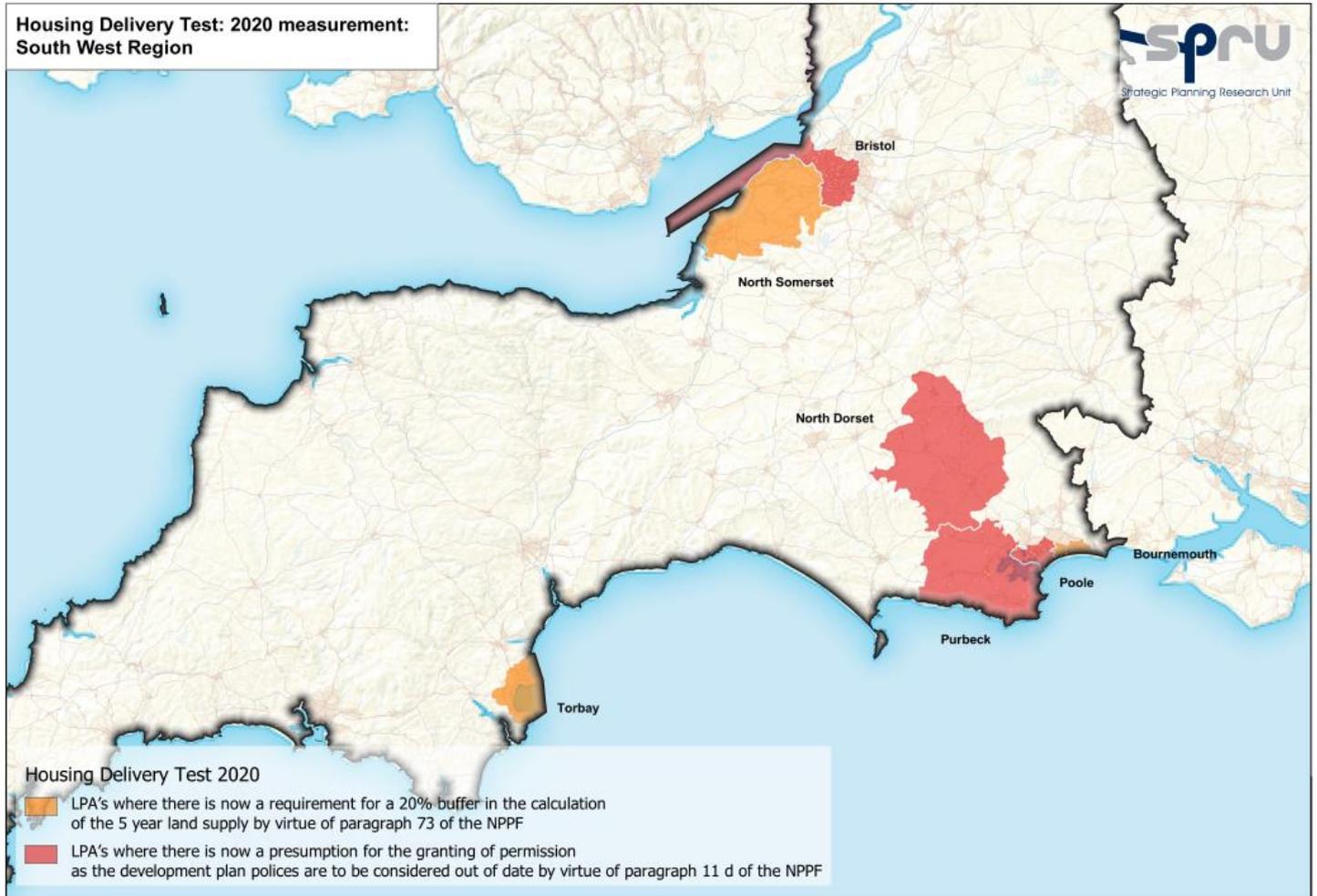
### **HDT 2020 Results: Authorities with results below 95%**

Area Name	HDT 2020 result	HDT 2020 consequence
Forest of Dean	94%	Action plan
Christchurch	91%	Action plan
East Dorset	91%	Action plan
North Somerset	81%	Buffer
Torbay	80%	Buffer
Bournemouth	75%	Buffer
Purbeck	74%	Presumption
Poole	73%	Presumption
Bristol	72%	Presumption
North Dorset	59%	Presumption

The Housing Delivery Test results for 2020 do not incorporate the changes to the standard method set out above. The new standard method will be used in the 2021 Housing Delivery Test, but it is likely that this will only have a significant effect on Bristol, which is already failing the Test.

A plan showing these results is on the next page along with our contact details.

## Housing Delivery Test Results 2020 for the South West



### **Further Information**

If you would like further information or an informal discussion about the implications of the new standard method in terms of Local Plan making, or 5 Year Housing Land Supply, please get in touch:

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