



# **Streamlining the planning system**

## **Faster and more efficient soon?**

Cristina Howick

Peter Brett Associates LLP

October 2017

# Introduction

# The question

What will happen under current Government proposals?  
Will planning be speeded up and streamlined?

- I will look at proposals for
  - New method for measuring housing need
  - The tests
    - Five-year land supply
      - An old test but will work differently
    - Delivery test
      - A new test
  - Five-yearly plan reviews

# One thing is certain

- Things have got to change
  - We can't go on as we were
  - Both plan-making and DC take far too long
  - And cost far too much
- More than half of LPAs don't have a post-NPPF plan
- Worse, 22% don't have a post-2004 plan!
  - Why so slow and expensive?
    - With plan-making it's mainly the housing number
      - Plans get sent back
        - Because the Inspector doesn't like it
      - Or don't get submitted in the first place
        - Because the elected members don't like it?
    - With DM it's often five-year land supply
      - If you don't have 5YLS it's planning by appeal
      - One appeal after another
      - Debating the same housing number

# **A new method to measure housing need**

# Introduction

- Long-awaited
- Finally published for consultation 14<sup>th</sup> Sep
- Couldn't be more different from the PPG
- A new language
  - Clear, direct, looks written by humans
  - Most horrible words have gone
    - Including 'objectively assessed need'
    - And 'methodology'
    - Good riddance!
- Aims to be
  - Easy
  - Transparent
  - Based on publicly available data
- By and large, succeeds

# Summary

- Just three steps
- Step one, demographic projections
  - Use the latest official household projections
    - (used to be from CLG, now ONS)
- Step two, market signals adjustment
  - A set formula (sliding scale)
    - Based on the affordability ratio  
(median house price over median earnings)
      - For each 1% above 4
      - The need rises by 0.25%
  - Here's a simpler version
    - When the ratio goes up by 1
      - Say from 6 to 7
    - The need goes up by 6.25%
      - Say from 400 houses per year to 625

$$\text{Adjustment factor} = \frac{\text{Local affordability ratio} - 4}{4} \times 0.25$$

Why on earth not

$$\frac{\text{Local affordability ratio} - 4}{16} \quad ?$$

# Summary continued

- Calibrated to produce 266,000 dpa for England
  - So Govt has come clean on the total it wants
- Step three, reality adjustment
  - Capped to 40% above previous plan
    - (Or household projection if plan is out of date)
- Err... that's it
  - No more hassle aligning jobs and housing
    - Though it's still there as a policy option
    - Hope it won't return by the back door
      - Would give the barristers and consultants something to do
- Evidence frozen for two years
  - From date the plan is submitted
- A few things do need clarifying
  - Includes 'compelling circumstances' for departing from the method
- Will it speed up and streamline things?
- Yes, much

# **The tests and five-yearly plan reviews**

# Land supply and delivery

- See White Paper (Feb 2017)
- Five-year land supply
  - Proposal to freeze it for a year at a time
  - Should make planning much simpler and cheaper
    - Avoid endless arguments about the same facts
- The new delivery test
  - Bring back the complication and expense?
    - Coping with two tests plus five-yearly review
      - (A very good thing by the way)
    - You'd be constantly calculating and arguing
  - And
    - First step is to establish reasons for under-delivery
    - Sanctions only apply if it's the planners' fault?
    - But how do we tell?
  - Another problem
    - What will delivery be tested against?
    - The new housing need numbers
    - Will they be agreed in time?
    - Will there be time to lift delivery?

# The tests and plan reviews

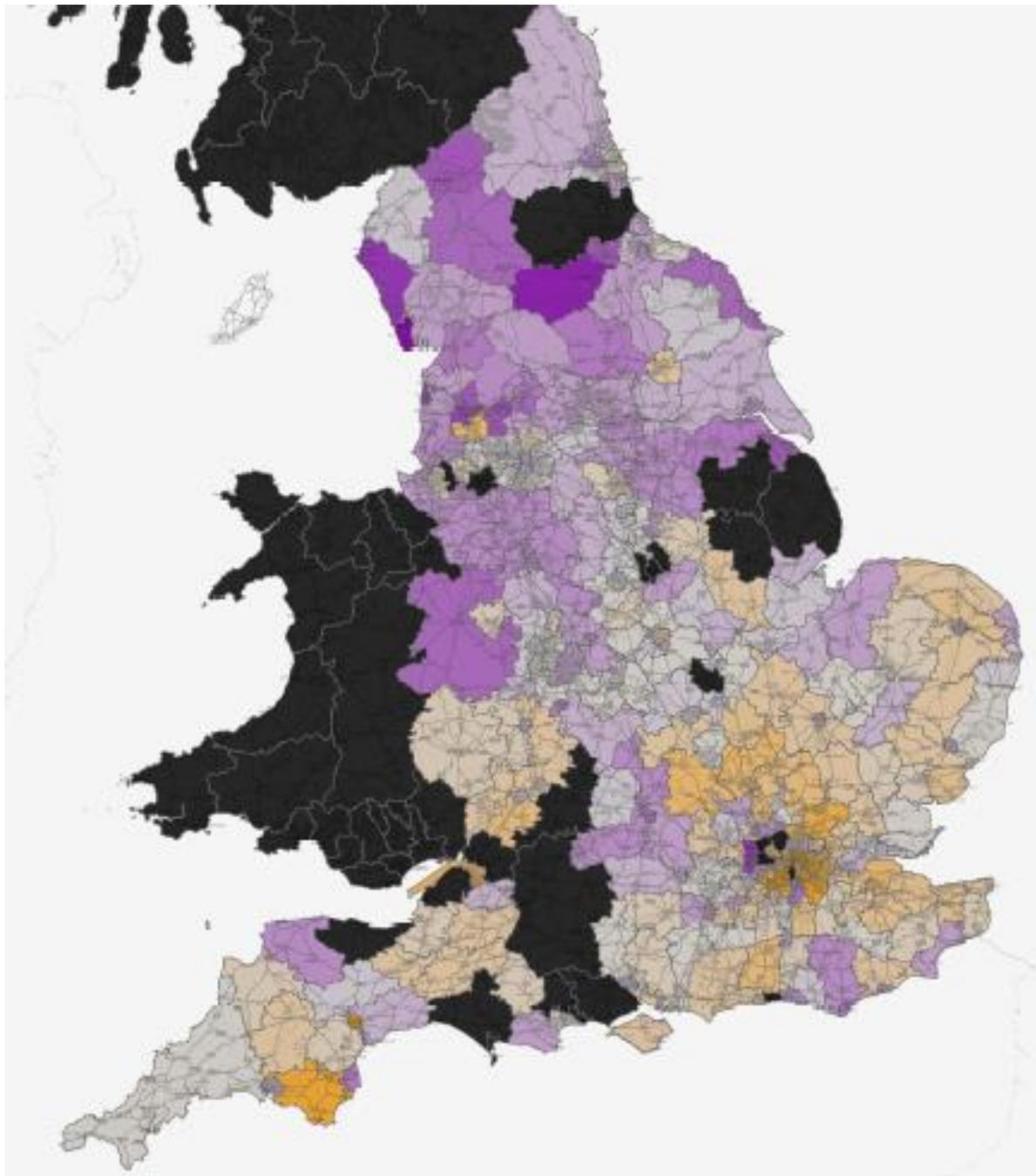
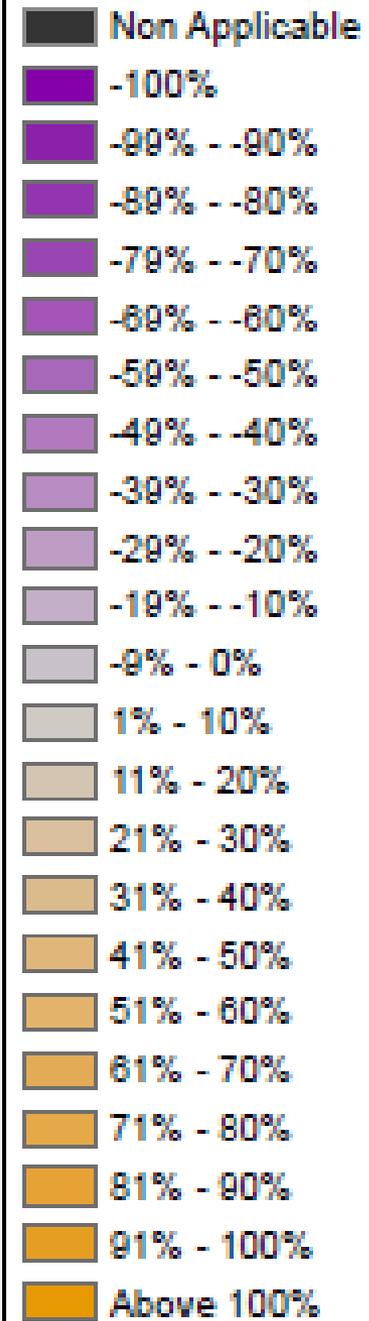
- Two tests + five-yearly plan review = overkill
- Here's a simpler suggestion
  - Require new plans to provide reserve sites
    - As LPEG proposed
  - Mid-plan, use one single test
    - Delivery test
    - Say at the end of Year 3
    - If delivery has fallen short
    - The Council must release reserve sites
      - They'll have been tested at examination already
  - Plan becomes out of date after five years
    - On Day 1 of Year 6
    - If there isn't a new adopted plan
    - The old policies become out of date
      - Back to planning by appeal
    - Incentive for authorities to do the right thing

**What will still be slow and complicated  
(and, worse, ineffective)**

# Larger-than-local planning

- The problem
  - Geography of new housing need
    - The rich south gets more houses
    - The north (and other peripheries) get fewer
    - No doubt a fair reflection of demand
    - But is this the future we want?
    - If not, what are we going to do about it?
  - Overspill
    - A closely related issue
    - Elected Mayors get strategic powers (like in London)
    - Otherwise there's nothing new
    - Joint plans will remain optional
    - Statements of Common Ground look much like MoMs
    - The Duty to Cooperate isn't working
    - Where shall we park cross-boundary unmet need?
      - Especially from London?
- The solution
  - It's got to be big, bold super-regional strategies
  - What else is there?

## Percentage Change



# Summary

# Govt proposals

## = faster, more efficient planning?

- On the whole, yes
  - (though some technical stuff still needs fixing)
- There's too many tests
  - Delivery test will greatly complicate things
  - With five-yearly plan reviews we probably don't need it
  - There is a simpler solution
- There's something missing
  - Strategic planning

**Thank you**

chowick@peterbrett.com