

APPENDIX 1

Changes to the current planning system – summary of proposals and possible implications

Summary of proposal	Possible implications								
The standard methodology for assessing housing numbers in strategic plans									
<p>New method to ensure delivery of 300,000 homes per year (140,000 more than in Local Plans currently).</p> <p>Achieve a better distribution of homes where homes are identified in more high-demand areas and in emerging demand areas across the country (such as the Northern Powerhouse).</p> <p>Application of the most up to date data. The size of existing housing stock and affordability over the past 10 years are now to be considered</p>	<p>Using existing stock in the calculation is proposed to “ensure that all areas, as a minimum, are contributing a share of the national total, proportionate to the size of their current housing market.” However, this approach assumes that areas can continue to grow at a rate proportionate to their existing stock – this may not always be possible, particularly in areas constrained by topography, national parks etc. This is a concern.</p> <p>However, unlike the White Paper proposals, this approach would still enable local authorities to seek to deliver lower housing numbers through local plans where justified.</p>								
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Current method</p> <pre> graph TD S1[Step 1 Baseline - household projections] --> S2[Step 2 Uplift for affordability based on current median workplace affordability ratio] S2 --> S3[Step 3 Cap (if needed) based on age of local plan] </pre> </div> <div style="text-align: center;"> <p>Proposed method</p> <pre> graph TD S1[Step 1 Baseline - higher of household projections or 0.5% of stock] --> S2[Step 2 Uplift for affordability based on current median workplace affordability ratio and degree of worsening in last 10 years] </pre> </div> </div>	<p>Consideration of the affordability of housing over a 10 year period is likely to provide a better indication of the issue. However, this approach is predicated on the view that increasing housing supply will improve affordability. There is little evidence of this locally.</p> <p>The removal of the cap in the increase of housing required is a significant concern.</p> <p>The estimated impact of the new methodology is set out below.</p> <p>Staffs Moorlands</p> <table border="1" data-bbox="1115 1217 2016 1366"> <thead> <tr> <th>Local Plan requirement</th> <th>Average delivery (last 3 years)</th> <th>Current standard method</th> <th>New standard method</th> </tr> </thead> <tbody> <tr> <td>320</td> <td>146</td> <td>185</td> <td>255</td> </tr> </tbody> </table>	Local Plan requirement	Average delivery (last 3 years)	Current standard method	New standard method	320	146	185	255
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	<p>The new methodology would increase the housing requirement in comparison with the current method but would result in a reduction from the new Local Plan requirement. Please note that the Local Plan requirement is based on the approach set out in the 2012 NPPF and guidance which pre-dates the current standard method. Any new requirement would be considered as part of the next Local Plan review.</p>
<p>Delivering First Homes and supporting small/medium developers</p>	
<p>A minimum of 25 per cent of all affordable housing units secured through developer contributions should be First Homes. This will be a national threshold.</p> <p>Initially secured through S106, but in the future through the new Infrastructure Levy as set out in the White Paper.</p> <p>Planning application should seek to capture the same amount of value as would be captured under the local authority's up-to-date published policy. For any remaining affordable housing that is viable (and required) under local policy after provision for First Homes, there are 2 options:</p> <ol style="list-style-type: none"> 1. Follow local policy 2. Negotiate a tenure mix for remaining 75% of units <p>First Homes exception sites policy to be introduced</p> <p>Increased thresholds for affordable housing contributions to a minimum of 40 or 50 dwellings.</p>	<p>This would reduce the amount of traditional affordable rent or shared ownership homes delivered through registered providers. This runs counter to the identified housing needs identified in the SHMA and Local Plan.</p> <p>Potentially this could mean we would no longer be able to deliver any shared ownership housing through planning gain. The government are prioritising home ownership over the traditional types of affordable housing such as rent and shared ownership which generally meets the needs of lower income or benefit dependent households.</p> <p>Increasing the site threshold to 40 or 50 dwellings would significantly reduce the number of sites where an affordable housing contribution would be taken. This would impact considerably on delivering affordable housing in some of our rural communities where sites of 40 or 50 units would be unacceptable.</p>