

INDICATIVE HOUSING FIGURE FOR NEIGHBOURHOOD PLANS

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Executive Summary:

In July 2018, the Government published its revised version of the National Planning Policy Framework (NPPF). This sets out a number of national planning policy guidance changes, in particular, a requirement for Local Authorities to provide an indicative housing figure, if requested, for the preparation of a neighbourhood plan. This report recommends the approval of an indicative housing figure for Neighbourhood Plans.

1. Recommendation

- 1.1 That the Council's indicative housing figure for Neighbourhood Plans be approved and that the following statement be provided to Parish Councils requesting a figure:

"The indicative housing figure for the neighbourhood plan area is 1 home¹. The indicative housing figure is the amount of new homes that a neighbourhood plan should plan for, over and above any existing allocations in the development plan. Neighbourhood plans can allocate land for more homes than the indicative housing figure and are encouraged to do so. This is in the interests of positive planning and where their local needs and circumstances indicate that additional homes would be appropriate."

- 1.2 That in the event of guidance for the calculation of an indicative housing figure being published by Ministry of Housing, Communities and Local Government, a further report setting out the implications of the guidance and recommending a way forward be taken to a Delegated Decision.
- 1.3 That the review of Plan:MK include strategic policies that set a housing requirement for designated neighbourhood areas in accordance with paragraph 65 of the National Planning Policy Framework, 2018.

¹ The Council's indicative housing figure is not a maximum figure and in accordance to the NPPF we encourage neighbourhood plans to plan for more homes.

2. Issues

- 2.1 A neighbourhood plan which has been 'made' (i.e. adopted or brought into force) forms part of the 'development plan' for the area. Made Neighbourhood Plans therefore have as much weight as the MKC Core Strategy or Site Allocations Plan in the determination of planning applications or appeals.
- 2.2 Paragraph 65 of the revised NPPF, published on 24th July, 2018, states that strategic policies should set out a housing requirement for designated neighbourhood plan areas that reflects the overall development strategy and any relevant allocations.
- 2.3 Paragraph 66 states that where it is not possible to provide a housing figure for a neighbourhood plan (such as where a neighbourhood area is designated at a late stage in the strategic policy-making process, or after strategic policies have been adopted; or where strategic policies for housing are out of date) the Local Planning Authorities should provide an indicative housing figure, if requested to do so by the neighbourhood planning body. The NPPF does not, though, go so far as to prescribe a method for calculating this.
- 2.4 The National Planning Practice Guidance (PPG) published on 13 September, 2018 advises that "*Housing requirement figures set for designated neighbourhood areas should reflect any relevant allocations already set within the strategic policies.*"
- 2.5 We have received a number of requests from Parish councils to provide them with an indicative housing figure for their respective neighbourhood plan, including Castlethorpe, Stoke Goldington, Lavendon and Emberton. Further requests can be expected in the near future. The Council is therefore seeking the approval of an identified housing figure that we will use to inform the preparation of all neighbourhood plans as and when requested to do so. The Briefing Note appended to this report sets out additional background information on the need for an indicative housing figure and how the recommended approach has been derived.
- 2.6 In arriving at the recommended indicative housing figure, consideration has been given to a number of possible approaches. Significant regard has, however, been had to the development strategy and allocations in Plan:MK, which will deliver the Objectively Assessed Need (OAN) for the borough and provide a significant buffer for the plan period. As the achievement of the OAN is not therefore dependent on further sites coming forward through neighbourhood plans during the plan period it is proposed to set an indicative housing figure of 1 home for all neighbourhood plans. This is not, however, the maximum housing allocation and neighbourhood plans are encouraged to plan positively for development in their areas, including allocating more development, where that is sustainable and in general conformity with the development strategy.
- 2.7 Work on the preparation of the revised local plan, will include the identification of a housing requirement for neighbourhood plans, as required by para 65 of the NPPF. In the interim, guidance as to how an indicative figure should be calculated may be published by MHCLG. If this happens, the implications of

the guidance will be considered and, if it results in a revised indicative housing figure, a further delegated decision will be sought to agree this.

3. Options

3.1 The preferred option and recommendation is to approve the Council's proposed indicative housing figure. This is aligned with the current housing trajectory and the Council's emerging local plan.

3.2 The alternative options are:

- (a) to not provide an indicative housing figure if requested to do so by a neighbourhood planning body. This option is not recommended as it would be contrary to paragraph 66 of the revised NPPF.
- (b) to provide a different indicative housing figure for neighbourhood plans. A number of alternative methods have been considered but it has proven difficult to identify an approach that works for both urban and rural neighbourhood plans. Given this and the fact that Plan:MK allocates land sufficient to deliver at least 10% more dwellings than the OAN requires, this option is not recommended.

4. Implications

4.1 Policy

The indicative housing figure, once approved, will be provided to neighbourhood planning bodies who request a figure. The transitional arrangements for the introduction of the revised NPPF mean that neighbourhood plans submitted for examination before the 24 January 2019 will be examined against the old 2012 NPPF. However, by allocating sufficient dwellings to meet the indicative housing figure, a neighbourhood plan will comply with the revised NPPF para 14 b) and, subject to the other criteria in para 14 being met, the plan will benefit from protection in the event that a 5 year housing land supply cannot be demonstrated.

4.2 Resources and Risk

Providing an indicative housing requirement which is applicable to every neighbourhood area has had no impact on resources. Although, if this recommendation was not approved and the Council needed to provide an individual indicative housing figure for each neighbourhood area this would have an impact on resource.

As this is a new requirement in the revised NPPF, there is a risk that further guidance on an appropriate methodology might be published by MHCLG which could void or challenge the Council's approach. If this happens, the indicative housing figure will be reconsidered and a further delegated decision sought to confirm the current approach or agree a revised methodology.

Capital	N	Revenue	N	Accommodation
IT	N	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

The proposed indicative housing number for neighbourhood plans will have no impact on Carbon and Energy Management.

4.4 Legal

Paragraph 3 (i) of Schedule 4B of the Town and Country Planning Act, 1990 required local planning authorities to provide assistance to neighbourhood planning bodies. The revised NPPF, 2018 stipulates that local planning authorities should provide an indicative housing figure if requested to do so by a neighbourhood planning body.

Neighbourhood planning is part of the Government's initiative to empower local communities to take forward planning proposals at a local level, as outlined in Section 116 of the Localism Act, 2011. The Act and the subsequent regulations confer specific functions on local planning authorities in relation to neighbourhood planning and lay down the steps that must be followed in relation to Neighbourhood Planning.

Once a Neighbourhood Plan has successfully passed referendum, it comes into force as part of the Statutory Development Plan and the Local Planning Authority is obliged to consider proposals for development against the policies in the Plan. The Local Planning Authority must make the plan within 8 weeks of the successful referendum and the plan then takes effect.

4.5 Other Implications

Stakeholders – The Council provides advice, support and guidance to all neighbourhood Parishes in the preparation of their Neighbourhood Plan. This can be found on the Council's website at: <https://www.milton-keynes.gov.uk/planning-and-building/planning-policy/neighbourhood-planning>.

N	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	Y	Stakeholders	N	Crime and Disorder

Background Papers: [National Planning Policy Framework \(2018\)](#)

Annex: Briefing Note – Arriving at an indicative housing requirement for Neighbourhood Plans.