

29 November 2018

MHCLG Consultation on updates to national planning policy and guidance

The Lancashire Branch of the Campaign to Protect Rural England (CPRE Lancashire) comments for the CPRE response to the MHCLG Technical consultation on updates to national planning policy and guidance.

Local housing need assessment

Q1: Do you agree that planning practice guidance should be amended to specify that 2014-based projections will provide the demographic baseline for the standard method for a time limited period?

No, CPRE strongly disagrees that planning practice guidance should be amended to specify that 2014-based projections will provide the demographic baseline for the standard method for a time limited period as it would be harmful to the purpose of planning the right number of homes in the right locations leading to people not having access to a home within which to live, that is both affordable, and that suits their particular needs.

The Government's approach is wrong. CPRE would encourage a more robust approach to assessing housing need and we remain entirely critical of the proposed standard method. It is not fit for purpose, based on simplistic 'supply and demand curves' inapplicable to the complexities of the development land, and housing property markets. The fact a cap is required shows how poor the standard method is. The need to introduce a 40% cap with respect to estimates of OAN calculated by the method which hitherto was mandatory gives an indication of just how arbitrary the new method it is.

The planning consequence of the standard method will be to exacerbate the north south divide nationally. The proposed method will result in further over-heating of already 'hot' housing markets in more affluent counties such as Cambridgeshire, Dorset, Hampshire, Kent, Oxford, Surrey Sussex, with significant countryside loss in those locations, and more cooling of 'cold' housing market areas in northern conurbations such as Greater Manchester, Merseyside and the North East, where the availability of previously developed land to accommodate more affordable housing is immense. The standard method will lead to a decline in investment in areas that need urban regeneration most.

Housing needs assessments obviously benefit from being based on up to date data to ensure it is as responsive as possible to local needs, identifying the type, tenure and size of homes needed across areas. CPRE believes it is particularly important that the needs of vulnerable groups are

catered for, such as people with disabilities who need wheel-chair friendly spaces, older people who wish to downsize to supported housing, families on lower incomes, and young people who want to get on the housing ladder in the areas that they grew up in or have moved to find employment opportunities. However, in recent times chronic shortages of the right type of housing in rural areas has occurred and these deficits will be exacerbated if the Government uses out of date 2014-based household formation data.

The Treasury announced 300,000 homes per year target, but the 2016-based figures suggest that this figure is excessive and not fully justified in planning terms, and the public ought to be provided with a much clearer understanding of how this very high number has been derived. We recommend transparency in such an important area impacting plan making and subsequent planning decision taking.

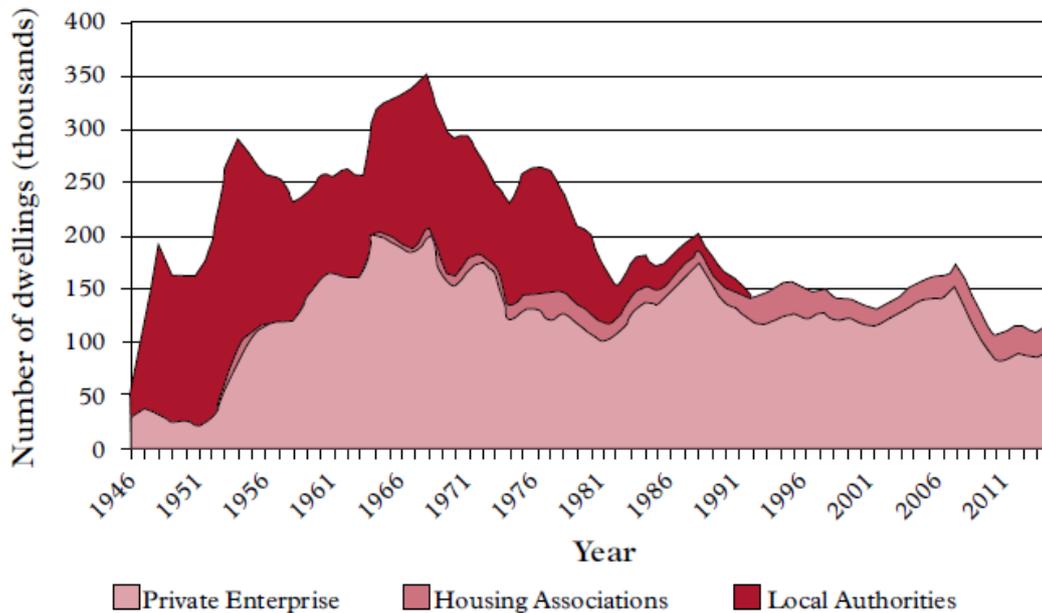
In November 2015, we published *Set Up to Fail: Why housing targets based on flawed numbers threaten our countryside* a research report informed by independent research, which showed how harmful over-estimating housing requirements can be. This warning must be heard by Government.

Far too many locally unpopular decisions concerning the approval of planning applications on least sustainable development on “off-local plan” sites outside of settlement boundaries in open countryside, even in protected Green Belt and Areas of Outstanding Natural Beauty, have occurred as a result of housing requirement figures that are too high. This will be a lasting memory of this current administration.

CPRE Lancashire is concerned that significant vacant and underused previously developed sites remain ignored for delivering new homes. The Housing Delivery Tests will further burden society with much more excessive countryside harm. The Raynsford Review highlights in its reports the problems of the planning system that is failing. The Government must wake up to the planning problems it has created and understand that these current proposals subject to this consultation will further weaken planning and will exacerbate countryside loss.

What is more, the construction industry lacks capacity to deliver 300,000 dpa. The House of Lords Select Committee on National Policy for the Built Environment, Report of Session 2015–16, page 16 Figure 1 showed how the private sector has never delivered more than 200,000 homes per year since 1946.

Figure 1: House building, permanent dwellings completed by tenure, England, 1946–2014



Source: DCLG, *House Building: September Quarter 2015, England (November 2015)*

The Letwin Report, October 2018 considered the significant gap exists between the vast amount of land allocated or with planning permission in areas of high demand and low housing completions. It concluded that the homogenous housing being delivered at present leads to low market absorption, leading to slow build out rates. Therefore high housing targets of local authorities are not being met by developers. It also found, in addition to some site constraints the lack of skilled labour, particularly brick layers is slowing down the completion of homes.

Despite affordability being cited as the main aim of the Government increasing housing supply, Letwin asserts “it would not be sensible to force major house builders to reduce the prices at which they sell their homes” due to impacts on financing the housing market and knock on effect to the economy as a whole. So, there is great concern affordability won’t be altered, no matter how many houses are developed.

CPRE asks what is the Government trying to achieve exactly? Avoiding up to date data that shows nationally housing growth has slowed, will not help to build more houses, it will just help over-plan for housing, and over allocation of green fields. What is more, reliance on 2014 data will make it more likely that Councils will fail the Housing Delivery Tests, thereby losing control over where and what type of housing is delivered by developers. The current problems of least sustainable, inappropriate expensive housing developed on greenfield land in the countryside will increase. CPRE urges the Government to rethink this dangerous proposal.

Q2: Do you agree with the proposed approach to not allowing 2016-based household projections to be used as a reason to justify lower housing need?

No. The 2016-based household projections are a better, more robust, data set with which to inform housing need. If it is lower than previous predictions, then fewer homes than originally anticipated should be planned. You can’t argue with the facts.

Q3: Do you agree with the proposed approach to applying the cap to spatial development strategies?

The Combined Authority should agree with its constituent authorities the approach to be taken. CPRE Lancashire advocates this tier of spatial planning as it should lead to a more coordinated, and strategic, joined-up approach, thereby reducing the need for Green Belt release and reusing brownfield sites, so there may be planning gains in one authority taking unmet need from another, but this must be done by agreement, via democratic structures.

As said, CPRE would encourage a more robust approach to assessing housing need as it is entirely critical of the Government's standard method. It is not fit for purpose, based on simplistic 'supply and demand curves' inapplicable to the complexities of the development land, and housing property markets. The fact a cap is required shows how poor the standard method is. The need to introduce a 40% cap with respect to estimates of OAN calculated by the method which hitherto was mandatory gives an indication of just how arbitrary the new method it is. CPRE recommends enough housing is planned, but we urge against over-planning housing due to the harm on countryside, particularly in already over-heated southern counties and areas of affluence.

Q4: Do you agree with the proposed clarifications to footnote 37 and the glossary definition of local housing need?

No. The standard method is so poor it should be abandoned.

The five year housing land supply should be made up of all allocations in an up to date local plan, land covered by a Development Consent Order, or Brownfield Register Part I and Part II sites, sites with the grant of any form of planning permission.

CPRE believes that developers should not be allowed to exclude sites with permission from the local planning authorities five year housing land supply. We have a ridiculous situation where developers can claim sites to be unviable to have them excluded from the five year housing land supply, to improve the chance of the grant of permission other land. There is clearly a conflict of interest here and this is something CPRE has commented on over and over again.

The Government must listen our calls for change, and that of literally every other commentator involved in planning (it listens too much to developers with interests in relaxed planning – with real harm to democracy), if it is serious about protecting countryside and Green Belt should consider ways to support Councils defend their five year housing land supply to give local authorities a period of certainty and to avoid costly appeal challenges that are draining resources from cash strapped Councils. The planning functions of local authorities have been severely cut in recent years, and this has debilitated them from carrying out a proper planning and development management function.

In fact the littering of the National Planning Policy Framework makes it an inaccessible and cumbersome policy document. Far from being a simplified document the NPPF is confusing and awkward to navigate for all concerned.

As said the Government should abandon its flawed proposed housing method. It therefore should not refer to it, at all in the NPPF, or in the Glossary.

Q5: Do you agree with the proposed clarification to the glossary definition of deliverable?

No. We suggest an alternative wording.

Of note is a ruling from Judge Lindblom, October 2017 (East Riding v St Modwen) that is relevant to progressing the housing land supply. Lindblom confirmed that a "realistic prospect" of a site coming forward within the required timeframe will be sufficient to meet the housing deliverability test. Planning authorities should show a supply of "specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements". A footnote defines "deliverable" as achievable, "with a realistic prospect that housing will be delivered within five years".

Lindblom said that, to be deliverable, a site has to be capable of being delivered within five years, but it does not need to be certain or probable that the site actually will be delivered within five years. He added: "The fact that a particular site is capable of being delivered within five years does not mean that it necessarily will be. For various reasons, the landowner or housebuilder may choose to hold the site back. Local planning authorities do not control the housing market. NPPF policy recognises that."

The wording should relate to this ruling by Lindblom.

CPRE believes the Government does not go far enough to support the deliverability of land, particularly brownfield, previously developed land. Not all brownfield land is recorded at the present time, and it is all available now, however, only "suitable" sites are recorded, and the definition is too tight to identify sites that with some agreed targeted investment would bring the site back to development use. This is a major problem for local authorities, and the Government lacks ambition to unlock sites development potential, particularly in former industrialised areas of the north and midlands.

Minor constraints, major constraints, unusable for housing in the future, should be categories applied so there is some grading of land. It would be better to remove sites with no prospect of use for housing, but allocate an alternative use, such as for renewable energy, local amenity. All land on Brownfield Registers should be progressed from constrained to unconstrained through targeted action and some funding commitment from Government. We shouldn't waste previously developed and underused land in the way we couldn't do. For CPRE the waste of land and needless development of green fields in the countryside is a real problem, and we urge the Government to recognise it as a societal problem too. Our members and the public believe it is a problem, perhaps an alternative administration will too.

Q6: Do you agree with the proposed amendment to paragraph 177 of the National Planning Policy Framework?

No.

CPRE is most concerned at the introduction of the word 'significant' before effect in its proposed amendment. All harmful impacts should be assessed and avoided entirely. Often

environmental losses are inappropriately mitigated, such as replacement of ancient and veteran trees with saplings. We must all make sure our environment is not allowed to be degraded easily through the planning system or revised, revised NPPF.

CPRE therefore agrees that sites without suitable mitigation should not fall under the assumed presumption in favour of sustainable development. Paragraph 177 currently refers to development and that proposed includes local plan making.

CPRE is concerned that the proposed wording will allow developers of proposed developments and during the 'call for sites' stage of draft local plans to produce their own assessments to conclude that there is no adverse harm when developing a site they have an interest in, even though counter assessments could show there is significant harm, or just harm.

We are concerned that this proposed change will result in less opportunity for planning and legal scrutiny, such as at an appeal or Judicial Review.

The Government's attitude to using out of date 2014 data indicates it may not expect rigour to be applied to habitat assessments either. CPRE believes planning decisions benefit from all parties being fully informed through robust assessments and to understand all likely impacts arising from a proposal when deciding whether it should be approved or refused. Better decisions will result from robust data, analysis and recommendations arising from experts.