

MORE HOUSING - IN THE RIGHT PLACES

A campaign briefing by the Campaign to Protect Rural England July 2013

'The country urgently needs more affordable homes for our rising population, including in villages and market towns. But they must be sensitively located, with excellent environmental standards and high quality design that enhances local character.'

Why is housing an important issue for CPRE?

CPRE believes that a healthy, thriving countryside is important for everyone, no matter where they live. We also recognise that everyone is entitled to live in a decent home that they can afford. Good planning should seek to deliver that housing, while minimising the negative impact of development on our countryside. Meeting the housing needs of rural communities is particularly important if they are to thrive.

We believe that with the right approach it is possible to avoid sporadic development in the countryside and the unsustainable sprawl of our towns and cities. With the wrong approach housing will lead to massive, unnecessary loss of our countryside and irreparable damage to our landscapes.

What is the problem?

The building of new homes is at its lowest peace-time rate since 1924¹ and the number of affordable houses completed in 2012/13 had dropped by more than a quarter compared with the previous year². While we need more sustainably located and well-designed homes, CPRE believes that the Government and many local authorities are taking the wrong approach to planning for housing. Successive Governments have simplistically argued that if high housing targets are set in local plans, more homes will be built and prices will become more affordable. Unsurprisingly, this approach has not delivered the houses we need, let alone in the right places.

<u>National housing policy</u> - The National Planning Policy Framework (NPPF) sets out a 'predict and provide' approach to developing housing targets. This approach uses population and household projections as a basis for determining future need. While these projections are an important part of the evidence for planning housing, they only extrapolate past trends, and therefore should be treated with caution. A crude application of 'predict and provide' is likely to increase pressure for higher levels of land allocation and, potentially, greenfield development.

The NPPF also requires Local Plans to demonstrate a 15 year supply of sites for housing. While this is not new the NPPF uses the terms 'deliverable' and 'viable' in relation to available housing land. The definitions of deliverable and developable included in the NPPF are particularly important. Local planning authorities are pressed to demonstrate that allocated and permitted sites are immediately deliverable and that they viable in the short term. In practice this results in sites with planning permission that are well located, but remain undeveloped or have lapsed permissions, being side lined. It also means that levels of affordable housing being provided by the private sector are being reduced. Meanwhile 'off plan' sites that have a greater environmental impact are being successfully promoted, because they are more profitable, and therefore deliverable, in the short term. This is the antithesis of good land use planning.

¹ Holmans, A. (2005) *Historical Statistics of Housing in Britain*, University of Cambridge

² <u>http://www.insidehousing.co.uk/development/home-completions-plunge-by-a-quarter/6527509.article</u>

CASE STUDY - Erewash Affordable Housing Targets

Following the examination of Erewash's Core Strategy the independent examiner has described the proposed target for affordable housing as too 'prescriptive'. The Draft Core Strategy allocates a site which needs regeneration and states that a target of 25% should be set for affordable housing delivery. In contrast, a letter from the Inspector states that the 'viability assessment submitted with the current planning application, however, indicates that a significantly lower figure of 10%, with half of that off site, is the best that can be achieved." This assessment, developed and submitted by the landowner who is presumably seeking to maximise their profits, leads the Inspector to conclude that the target proposed by the District Council is 'too onerous' and should be modified.

Inflated housing targets in local plans - The 'predict and provide' approach to planning for housing set out in the NPPF is resulting in unrealistically high housing targets in Local Plans. We are seeing, for example, the housing targets set in now revoked Regional Spatial Strategies being used at some Local Plan examinations by the Planning Inspectorate as a backstop justifying numerical housing requirements higher than the levels local planning authorities are proposing or willing to accept.

The Government has also put in place incentives, such as the New Homes Bonus, which puts pressure on local planning authorities to open up opportunities for housing growth. Combined with recent cuts to local authority budgets the result is that local plans and individual application decisions could be unduly influenced by the prospect of financial gains.

The discrepancies between theoretical predictions of demand, which are converted into housing targets, and the lack availability of mortgage finance to convert this to effective demand are leading to an oversupply of land allocated for housing. In a recent analysis of emerging and adopted local plans CPRE found that over 400,000 new houses are planned on greenfield sites. If these houses were built at an average density of 30 dwellings per hectare this would result in the loss of over 13,300 hectares of countryside. This is at a time when it is estimated that there are brownfield sites currently available for over 1.5 million homes³.

Landbanking - In the current economic climate 'landbanking' has become a significant issue. Essentially, this means that while planning permissions are being granted for new housing, they are not being built. Last month the Local Government Association found that there were approximately 400,000 planning permissions⁴ that had not yet been built.

Poor quality housing - Local opposition to house building can prevent the development of much needed new homes. Opposition can be for a number of reasons and, despite unfair accusations of nimbyism, often these concerns are entirely legitimate. The design of new homes, both inside and out, and of new neighbourhoods is critical to the public acceptability of new housing. Research shows that people would support housing development if homes were better designed: 73 per cent of people would support more homes being built locally if they were well-designed and in keeping with the local area⁵. Local authorities should be able to demand better quality new housing.

Out of date local plans - As of March 2013 52% of local planning authorities⁶ didn't have up to date local plans in place. This is leaving those local authorities open to a significantly increased threat of speculative development. In reality it is likely that an even higher proportion of authorities are at risk because they do not have an up to date five year land supply. Where a plan is deemed out of date, the NPPF carries greater weight in the decision making process and the assumption in favour of sustainable development applies. Multiple cases highlight that where this is the case the overriding issue in determining planning applications is housing need.

³ CPRE (2011) Building on a Small Island - <u>http://www.cpre.org.uk/resources/housing-and-planning/planning/item/2605-</u> building-in-a-small-island

Report for LGA by Glenigan (2012) An analysis of unimplemented planning permissions for residential dwellings http://www.local.gov.uk/web/guest/research-housing/-/journal_content/56/10171/3700057/ARTICLE-TEMPLATE http://england.shelter.org.uk/__data/assets/pdf_file/0011/652736/Shelter_Little_Boxes_v4.pdf

⁶ http://www.planningportal.gov.uk/uploads/pins/local_plans/LPA_Core_Strategy_Progress.xls

CASE STUDY - Housing in the Kent Downs AONB

In June Dover District Council Planning Committee approved outline planning permission for an application that includes 521 dwellings and a 90 dwelling retirement village in the Kent Downs Area of Outstanding Natural Beauty. They approved it on the basis that a £5m contribution offered by the applicant towards heritage improvements at the Western Heights would act as a catalyst for substantial (but undefined) inward investment and a boost to tourism, but also because at the time their Plan did not meet the national requirement to allocate a five year land supply and. This was despite the requirement in the NPPF that planning permission should be refused for major developments in designated areas 'except in exceptional circumstances'.

How can we fix the problem?

CPRE believes that the plan-led system can deliver the homes we need. But local plans need to include policies which ensure planning permission is granted for the most sustainable development proposals. National planning policy and guidance should enable local authorities to take the best approach taking account of local considerations.

- **Calculating housing need**: National planning policy should require local authorities to take a 'plan, monitor and manage' approach to providing new homes. They should not be provided simply on the basis of a crude 'predict and provide' policy, which uses past trends to determine future needs. Planning for housing should not be a simple numbers game.
- Make best use of existing stock: Local authorities should place more emphasis on making the best use of their existing housing stock and previously developed land. This will minimise the need to allocate greenfield sites for development. Across London only 8 empty homes were refurbished last year despite there being 73,000 empty properties.
- Identifying land for housing and making the best use of previously developed land: Local plans should seek to promote the most efficient and sustainable use of land through a 'Smart Growth' approach and the use of phasing policies in local plans. Plans should also include well justified assumptions on future 'windfall' development.
- Planning for housing that meets local needs: Rather than simply setting a general target for housing, local plans need to set targets for a range of types, tenures and sizes. National policy should also allow local plans to include separate targets for market and affordable housing, and the delivery of affordable housing should be prioritised at the local level.
- **High quality, well designed housing:** Well-designed housing can help create vibrant and pleasant places to live and can minimise the impact of development on its surrounding landscape. Local authorities should plan, and only grant planning permission for, development that respects and enhances local character and that is 'future proofed'.

What is CPRE doing and how can people help?

At the national level CPRE seeks to influence planning legislation, policy and guidance to ensure a more sustainable and appropriate approach to planning for housing. Local pressure is also vitally important. If you would like to take action please consider:

- Supporting CPRE's Charter <u>www.saveourcountryside.org.uk</u>
- Writing to or emailing your local MP to ask them to support our Charter
- Feeding in relevant case studies from your local area that can help inform our national campaigning work. Please send them to <u>charter@cpre.org.uk</u>
- Seeking to influence the policies in your local plan and commenting on local planning applications. Visit <u>www.planninghelp.org.uk</u> and <u>http://www.cpre.org.uk/local-group-resources/campaigning/planning</u> for advice and tips.

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