

# **BSHF Submission to the Department for Communities and Local Government Consultation on the Draft National Planning Policy Framework**

This document collates information included in the BSHF submission to the Department for Communities and Local Government Consultation of the Draft National Planning Policy Framework, which is proposed to replace all other planning regulation in England. The consultation took the format of a series of questions. We have responded to questions where our work has relevance.

### **Question 1a: Delivering sustainable development**

“The Framework has the right approach to establishing and defining the presumption in favour of sustainable development.”

**Neither agree nor disagree.**

### **Question 1b: Comments on question 1a**

- One method of delivering development that has the potential to be sustainable is to consider the delivery of new settlements. The draft NPPF does not appear to consider the possibility of creating new settlements. The NPPF should be amended to directly address this important form of delivery.

## Question 2a: Plan-making

“The Framework has clarified the tests of soundness, and introduces a useful additional test to ensure local plans are positively prepared to meet objectively assessed need and infrastructure requirements.”

**Neither agree nor disagree.**

## Question 2b: Comments on question 2a

- BSHF has noted in its recent report, *More Homes and Better Places*,<sup>1</sup> that there has been a long-standing and substantial shortfall between the number of new homes needed in this country and the number actually built. Consequently we recognise the importance of basing local plans on objective assessments of need (including housing need) and the infrastructure requirements that accompany those. Assessments should be based on analysis that looks across all aspects of the housing system and draw on rigorous data.
- The work required to produce a rigorous assessment based on robust data should not be under-estimated. Fairly detailed information will be needed if the right number and types of homes are to be planned for in the right places. Creating desirable offers that might attract older households to downsize, for example, would probably require a different type of housing from a starter home for a young couple, even though they might both be 1-2 bedroom dwellings, and consequently relatively granular data will be needed on the current and projected make-up of an area. Furthermore, a rigorous understanding of a housing market would also reflect the situations of those who will move into the area in the future; this is naturally challenging, but should not be ignored, as otherwise plans made on the basis of current inhabitants may turn out to be inadequate.
- The ability to meet the desire of having robust local plans that are based on objective assessments and that ultimately deliver the necessary development will depend in large part on the capacity of local authorities to assemble and interpret the relevant evidence base. Some may choose to conduct these assessments in-house, whilst others will elect to employ external consultants. In either case, significant capacity is required, whether in the form of in-house analytical skills, or the management skills to ensure consultant-delivered assessments are robust and suitably monitored. This capacity will only be available if it is supported by the necessary financial resources, either from central or local government.

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<sup>1</sup> Diacon, D., Pattison, B., Strutt, J. and Vine, J. (2011) *More Homes and Better Places: Solutions to address the scale of housing need*, <http://www.bshf.org/published-information/publication.cfm?lang=00&thePubID=25E04994-15C5-F4C0-99170AE24B5B0A84>

- In order to maximise the efficient delivery of these assessments, there is a clear need for some form of national guidance containing sufficient information to conduct a robust assessment. Such guidance could provide local authorities with information on existing datasets that are appropriate to use and techniques to combine them to gain a local picture.
- Alongside national guidance, there is also a case for providing support from central government to local authorities. This is currently a feature of the Scottish system for assessing housing needs and demands, which appears to offer lessons for the other countries of the UK. Local authorities are supported by a team within the Scottish government that aids strategic planning for housing with guidance and training. This support is intended to help local authorities to prepare evidence-based Housing Need and Demand Assessments and Local Housing Strategies that are based on analysis that looks across all aspects of the housing system and draw on rigorous data. They are also seek to identify both short- and long-term housing problems (and distinguish between them), and to measure housing need in a consistent fashion. The central team also validates all Assessments to confirm they are “robust and credible”.
- Although this model requires resources to deliver its robust assessments of housing need and demand, failure to invest can be a false economy if it leads to the wrong housing planning and spending decisions being made.
- An understanding of the housing needs and demands of an area could also seek to gain an understanding of the appetite for self-build accommodation and other parts of the self-organised housing sector. This could provide a mechanism by which people who want to build their own homes could engage with local authorities. When compiling housing market assessments, local authorities should consider the range of community and individual options in the self-organised sector, to maximise their ability to draw on the sector’s untapped potential.
- If local plans, and ultimately planning permissions, are to reflect the needs of the local community, information about the present and future make up of that community will be necessary. The information will need to be robust and accessible, including being accessible to local people. It should include the housing needs of children and young people in the area who currently do not have any expressed housing need, but will do so within the next 10-20 years. For example, many older households are likely to be ‘under-occupying’ family-sized homes; policies could be designed to free these homes up for new families to use by providing and promoting highly desirable alternatives. Consequently, identifying where older households currently live, what type of housing they would be attracted to, and what information and support might help them to move, could help achieve those goals.
- Assessment of potential locations for development could include strategic appraisals of sustainability, comparing the available sites to ensure that any planning allocation

secures the most sustainable patterns of development and rules out other less sustainable locations. In the context of the presumption in favour of sustainable development, an early assessment of which sites would be compatible with sustainable development would be a powerful tool in enabling local authorities to make the best allocations of land required to meet local needs. As importantly, identifying those locations where development would not be sustainable could help to minimise the time and resources expended, particularly by public bodies, on considering planning applications that would be unsuccessful.

## **Question 2c: Joint working**

“The policies for planning strategically across local boundaries provide a clear framework and enough flexibility for councils and other bodies to work together effectively.”

**Neither agree nor disagree.**

## **Question 2d: Comments on question 2c**

- As noted above in response to question 2b, there should be some form of national guidance to support local authorities in the delivery of robust assessments of housing need. Properly constructed, this guidance could also help cross-boundary working. Specifically, by giving local authorities a common set of datasets to work from and techniques to use, the resultant analyses would more easily be comparable. Such datasets might include the use of DCLG’s household projections.
- The ease of comparing different assessments could be further enhanced if the guidance were to recommend a standard template for reporting the results of the analysis.
- The creation of national guidance for conducting assessments could be achieved in a way that delivers the benefits of consistency without removing local flexibility. Local authorities could be allowed to deviate from the guidance, but would need to state their justifications for doing so. Data like the DCLG household projections would be viewed as ‘sensible defaults’ for local authorities to work from, but where local authorities chose to adopt different assumptions it would be clear why that decision was made. This would also make it easier to see whether there was a trend for authorities to adopt figures that were different in the same direction (e.g., all using household projections below those provided by DCLG), and hence to analyse the aggregate impact of such trends.
- More generally, cross-boundary working would be eased by each local authority knowing that its neighbour’s plans have been developed to the same high standards as its own. Consequently, the presence of a process to certify that assessments are robust and credible would greatly assist joint working.
- One area of planning that is particularly likely to necessitate joint working is the creation of new settlements. BSHF has recommended that local authorities should take a leading role in creating a new generation of garden cities, or other styles of new settlements, best suited to local conditions. As noted above (1b) the draft NPPF does not at present contain sufficient information on the creation of new settlements.
- More broadly, local authority boundaries can never fully reflect the realities of local communities and economies, including housing markets. The NPPF would benefit from additional attention to the issue of addressing housing needs in cross-boundary

housing markets. For example, some urban local authorities with tightly defined boundaries may have very limited space available for sustainable development, whilst neighbouring sub-urban authorities might offer suitable opportunities. Ideally, local authorities will work together to address housing need across their boundaries, but experience shows that this process does not always run smoothly.

## **Question 4a: Guidance**

“Any guidance needed to support the new Framework should be light-touch and could be provided by organisations outside Government.”

**Neither agree nor disagree.**

## **Question 4b: Comments on question 4a**

- As noted above (see 2b), there should be some form of national guidance containing sufficient information to conduct robust assessments of housing need and demand. Such guidance could provide local authorities with information on existing datasets that are appropriate to use and techniques to combine them to gain a local picture.
- Furthermore, if such guidance is to support joint working (see 2d), it should specify both ‘sensible default’ datasets and techniques for local authorities to use in preparing their assessments, and a standard template for their reporting. This could be constructed in such a way that local variation was still permitted, as long as reasons for varying from the defaults were noted in the relevant reports.



## Question 10a: Housing

“The policies on housing will enable communities to deliver a wide choice of high quality homes, in the right location, to meet local demand.”

**Neither agree nor disagree.**

## Question 10b: Comments on question 10a

- BSHF agrees with the statements from the consultation that “for many years now there has been a large gap between the demand for new homes and the supply”.<sup>2</sup> The consultation also states that “the shortage of new homes means that the housing needs and aspirations of communities are not being met, leading to significant problems of affordability, particularly for those seeking to buy their first home”.<sup>3</sup> Whilst it is important to recognise the housing needs of communities, there remains a need to recognise the wider impacts of the undersupply of housing.
- The UK’s historic and growing undersupply of housing has a substantial impact on the country: it affects individual households, who struggle to find housing that fits their needs at a price they can afford; it affects the wider economy, creating a drag on growth and hindering labour mobility; and it affects society, worsening inequality and amplifying the challenges of demographic change. This impact transcends tenure divides, leading to higher rental costs in private renting and restrictions on access to social housing, as well as difficulties for first-time buyers.
- This undersupply of housing is a longstanding problem, which has been exacerbated by the financial crisis of 2007/08. The structural problems – such as those related to land and planning, opposition to development, and the operation of the construction industry – have been compounded by increased restrictions on finance and mortgage availability.
- BSHF welcomes the government’s aim of reforming the planning system to deliver more housing. However, this objective is unlikely to be achieved by changes to the planning system alone. The changes to the planning system must form one part of a wider strategic plan to deliver the housing needed in the UK. At present, there is an absence of clearly articulated strategic objectives, to provide a coherent framework within which individual policies can be developed, to contribute to the overall vision of greater supply.
- BSHF hopes that the Framework will be clearly linked to the Coalition Government’s housing strategy which is expected in the coming months.

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<sup>2</sup> Introduction, paragraph 28, page 10.

<sup>3</sup> *ibid*