

Fixing Our Broken Housing Market

For most of us, especially those without, having a decent home is a key consideration



It is widely recognised that there are functional problems with the way housing is built, or not, across the country. For a number of years the scale of homes built is lower than that identified as needed. Developers and planning authorities are at loggerhead as applications for planning consent target land never intended for development, and contrary to adopted local plan policies (where they exist), on the grounds of viability.

The introduction of the National Planning Policy Framework in March 2012 (NPPF) was supposed to enable “sustainable” development. In CPRE’s view the NPPF has contributed to “unsustainable” development, promoting land in the countryside for needed housing, including protected Green Belt land, rather than effectively re-using brownfield land in urban areas.

Recognising some of the failures, the Department for Communities and Local Government published its Housing White Paper “Fixing Our Broken Housing Market” for consultation in May this year. In this article, the Lancashire branch of the Campaign to Protect Rural England (CPRE) discusses its response, and considers what the next steps for Government ought to be.

CPRE welcomed the approach of the White Paper in that it acknowledges that housing problems are multi-faceted, and are not simply a matter of perceived restrictions in the availability of land, despite arguments of some developers and think-tanks to the contrary.

The CPRE response involved extensive consultation with its network of 43 branches and 8 regional groups around England, many of whom have first-hand experience of how the planning system operates at a local level. CPRE believes that the key objectives that the Government should pursue, in relation to planning for housing, should be:

- ensuring every part of the country has an up-to-date plan;
- maximising use of suitable land for development and restricting building on land that is generally unsuitable, in particular Green Belts and other designated areas;
- devising a standard approach to determining Objectively Assessed Housing Need (OAN) that is realistic in the approach to how, and how many, households will be formed across England in the coming years, and what their housing needs are;

- reforming the proposed Housing Delivery Test to shift the emphasis away from penalising local authorities and communities for housebuilders’ failure to deliver;

- providing more resources for planning authorities; and

- ensuring appropriate community engagement and consultation.

Overarching themes

CPRE strongly supports the principle of full coverage of up-to-date plans, and is critical of local planning authorities who have failed to adopt one (after all they have been a statutory requirement since the introduction of the Planning and Compulsory Purchase Act 2004). But, there are a number of vagueness and inconsistencies in the White Paper proposals, which were not given adequate opportunity for a response through the formal consultation questions, such as:

- there continues to be insufficient clarity with regard to how OAN for housing should be translated into a Local Plan Housing Requirement (the number of houses to be built), in particular how this should be related to environmental and policy constraints, and to the capacity of the housebuilding industry;



View of Mitton Road from Whalley Nab

- the value of the plan-led system could be threatened as a result of a vacuum between the statutory strategic level of plans and the patchwork of optional neighbourhood plans: we ask where are sensible detailed development management policies (appreciated by all actors in the development process) intended to fit in to this approach?;

- the meaning of an ‘up-to-date’ plan is unclear, especially with regard to long-term policies (including development management policies relating to conservation areas, heritage, landscape and nature);

- how realistic is the expectation of 5 yearly reviews, and what will the impact be on the ‘fundamental’ characteristic of the permanence of Green Belts?; and

- does ‘sufficiently ambitious’ mean that environmental priorities (including restricted land) should be downgraded in the quest for more (but not better) housing?

CPRE argues much more emphasis on the environment is required so it has an equal footing in discussions about sustainable development. Despite being a topic of a number of judicial reviews, there is still confusion over the

interpretation of the presumption in favour of sustainable development, and indeed the definition of ‘sustainable development’ itself. This lack of clarity is evidenced by different interpretations by planning inspectors.

Overall, CPRE is positive about proposals in the White Paper, Chapter Two – Building Homes Faster, and it gave detailed answers to relevant questions numbered 21 to 27 concerning the ability of local authorities to scrutinise the performance of developers. But, this will critically rely on local authorities having adequate resources in place, to fully scrutinise developers and their planning applications. They need to performance- check developers (such as agreed rates of development), and be able to challenge developers if claims for under-delivery are unsatisfactory.

In addition, local authorities must set a Housing Requirement that can be serviced in a sustainable fashion, in particular by a good choice of transport modes. Current, vague approaches to OAN and Housebuilding Requirement tend to lead to more expensive plan-making processes as more sites have to be identified, assessed, consulted on





ABOVE: Speculative development is expanding Whalley, Ribble Valley.
LEFT: Ribble Valley landscape with housing encroaching.

and then examined.

A much clearer method of assessing housing need, which enables more realistic and less resource-intensive Housing Requirement than under current practice, is critical.

There is still much in the White Paper, in particular the proposed Housing Delivery Test, which appears to be based on the mistaken belief that releasing more land for development will on its own automatically result in more homes being built and that this in turn will lead to more affordable average house prices. CPRE believes the Government cannot afford to base changes to the NPPF on this mistaken belief.

Such an approach has never proved workable in the experience of England, despite sustained high levels of land release for development since the 1950s. Experiences elsewhere in the English-speaking world, particularly Australia and Ireland, show that simply allowing more planning permissions will achieve little. In England as in these other countries, developers manage the release of permissioned land to keep prices high, and the real priority for public investment should be investment in affordable housing to meet identified social need.

Our branches work closely with local planning authorities across England when development plans are being

prepared, and on planning applications involving development with a significant impact (either positive or negative) on the countryside. They have highlighted a worrying, and increasing, level of weakness in local authority staffing and wider financial resources due to successive budget cuts as well as a wider policy climate that gives advantage to developers and land speculators.

Other issues

Simplification of planning policy is only beneficial if it results in the consistent application of NPPF policy. It is no good if it leaves gaps in policy and reduces its clarity. Information and advice needs to be more accessible, and the relationship between the NPPF



**ABOVE: Needed Affordable Housing.
LEFT: Mitton Road under construction.**



and the online Planning Practice Guidance (PPG) needs to be examined again.

CPRE believes the Government should say more about Neighbourhood Planning practice. The process remains daunting for most communities to contemplate. There continues to be insufficient assurance that the activity will result in planning decisions that accord with neighbourhood plan aspirations (although the Neighbourhood Planning Bill includes some small steps towards this.)

The Housing White Paper is insufficiently ambitious about capturing increases in land values – in fact it says very little about this at all. CPRE calls for a higher proportion of land value increase to be captured for the good of the community.

The White Paper uses the terms housing need, housing demand, housing requirement, and housing target interchangeably, which is wrong as they relate to different calculations and this should be acknowledged in future policy and guidance.

Format and nature of consultation

CPRE is critical of the overall structure of the Housing White Paper because it was not conducive to an effective consultation. The chapter structure of 'steps' was clear, but the relationship between the four 'steps' and the subsequent 'annex', which contained the consultation questions, was inconsistent and obscure. Unsatisfactory elements of the consultation included:

1. proposals emboldened in the Housing White Paper text that were not always associated with a consultation question;
2. the final two sections of the annex introduced ideas that were not discussed in the main body of the Paper, including policies almost entirely unrelated to housing and

3. the online survey form included questions relating to the Rural Planning Review, which was entirely separate from the Housing White Paper, and not signposted within it.

In reality, the format of the White Paper served to confuse the reader as much as possible, rather than to assist their appreciation of the Government's proposals, and to sneak proposals for new or amended policies in "through the back door".

Next steps

Partly as a result of the above point, but also as a matter of general good practice, CPRE considers that it is essential that there will be an opportunity for interested parties to scrutinise the final proposed wording of the NPPF (and other instruments for the implementation of the measures proposed in the Paper) before final publication. This is in order to help ensure that measures will work as intended and policies are internally consistent.

What is important now is that the DCLG does something about the problems identified and delivers a much-improved planning system based on truth and not mistaken beliefs so that local planning authorities are enable to ensure developers build the right houses, in the right places for the right reasons.



Lancashire

Standing up for your countryside
in Lancashire, Greater Manchester
and Merseyside