

Chartered Institute of Housing response to the consultation on proposed reforms to the National Planning Policy Framework and other changes to the planning system September 2024

#### Introduction

The Chartered Institute of Housing (CIH) is the professional body for people who work or have an interest in housing. We welcome the opportunity to respond to the Ministry of Housing, Communities and Local Government's (MHCLG) consultation on the proposed reforms to the National Planning Policy Framework (NPPF). An effective planning system is an essential enabler of housing delivery, and reforms to simplify and speed up planning processes are a welcome step in tackling the housing crisis.

CIH undertook extensive member engagement over the course of this consultation period (focussed on the questions which relate to our remit as the professional body for people working in housing) to explore the impact of the proposed reforms. This detailed response seeks to address the key aspects, and highlight where we believe greater clarity or further consultation are required.

#### **Summary**

Overall, we welcome the proposed reforms to the NPPF which should help unlock housing supply, alongside much needed investment in capacity building (workforce strategy), land release (including New Towns) and CPO reform. Our **headline points** are as follows:

- To provide clarity of ambition and need, the government should set out the proportions of different tenures that will make up the overall target of 1.5 million homes, with a clear focus on the role of social rented homes.
- Whilst it is positive to reintroduce mandatory targets, we believe that work is needed to agree on a new standard method to determine them; the formula used must appropriately assess needs and consider factors such as homelessness, temporary accommodation, supported housing, and private rental prices (see Annex for alternative calculations).
- We welcome the review of green belt/grey belt, as we called for in our <u>Homes at</u> the <u>Heart</u> strategy. Care must be taken to ensure that the right homes are delivered in the right places and due diligence is taken to identify and protect natural habitat sites for protection. Any green belt development must tangibly demonstrate long-term public good, and we hope the House of Lords Built Environment Committee's <u>inquiry</u> into grey belt development will provide further clarity around this.
- We support the ambition that all local authorities should have an up-to-date local plan which assesses current and future needs (with local authorities having the power to determine appropriate tenure mix for their local area) and identifies land supply, with transitional arrangements where needed to support implementation.
- We welcome the return to strategic level planning, supported by the duty to cooperate, to encourage greater collaboration on development and regeneration.



- We welcome the opportunity to revisit the definition of 'affordable rent' which we believe should be redefined in terms of local, lower quartile, wages instead of the current practice of defining it as 80 per cent of market rates. We would also support amending the definition of 'affordable housing' to restore the 2006 reference to 'specific eligible households' with separate definitions of each affordable rented tenure.
- It is encouraging to see changes that CIH had called for reflection in the proposals, including moving away from the Infrastructure Levy which risked resulting in far fewer affordable homes. However, there are elements we believe should be included to strengthen the NPPF and improve planning more broadly. These include reviewing the previous government's changes to permitted development rights, providing greater detail for supported and specialist housing, and exploring the role of placemaking in future developments.
- Whilst a concerted push on boosting (truly) affordable housing supply is needed, we must not lose sight of ensuring the quality of new homes and supporting infrastructure, particularly in relation to sustaining healthy communities.
- Planning policy and relevant decision-making should be aligned as closely as
  possible to the Climate Change Act 2008 and its associated carbon budgets, and
  we support wider changes to the NPPF to accelerate the generation of renewable
  energy, make it simpler to improve the energy efficiency of existing homes, and
  improve the climate resilience of new developments.

We would also note that whilst planning reforms are very welcome, they can only be part of the response to tackling the housing crisis. The social housing sector wants to play its role in increasing development and building the homes required, but many providers are scaling back their development activity due to uncertainty and increased financial pressures, with increased investment required for existing home improvements, retrofit, decarbonisation, building safety etc. This has led to a <u>steady decline</u> in planning permission applications for new developments, which will only be exacerbated in the next few years without action.

Thus, alongside these planning reforms, the government must provide clarity on the new Affordable Homes Programme, grant levels, and a long-term rent settlement, as well as aligning the planning system with existing net zero targets, carbon budgets, and nature and biodiversity recovery targets. Our <u>submission</u> to the forthcoming Spending Review provides more details. As the Resolution Foundation's recent <u>report</u> assessing the role of planning reform in meeting the government's housing targets says, "the scale of public investment brought forward at the next spending review for affordable housing will be crucial to whether the Government is able to deliver on the housing revolution."

# Responses to consultation questions

#### Mandatory targets, standard method and local plans

Q1: Do you agree that we should reverse the December 2023 changes made to paragraph 61?

Yes. We agree with removing the changes to Paragraph 61. Consistency and certainty are needed to ensure growth and housing development are accelerated, and the use of exceptional circumstances can cause unnecessary delays in the planning process. To meet the level of need and boost supply to the levels necessary to tackle the housing



crisis, there must be a concerted and joined-up nationwide effort to avoid creating greater inequalities and ensure all areas contribute equally.

Q15: Do you agree that Planning Practice Guidance should be amended to specify that the appropriate baseline for the standard method is housing stock rather than the latest household projections? / Q17: Do you agree that affordability is given an appropriate weighting within the proposed standard method? / Q18: Do you consider the standard method should factor in evidence on rental affordability? If so, do you have any suggestions for how this could be incorporated into the model?

No. Whilst we support the consistency proposed in question 1 for all authorities to follow the same approach for assessing need, we do not believe that the new standard method formula to determine housing targets is sufficient.

We agree that the current system of a baseline of household projections is not adequate to meet the level of housing supply required. It has been rightly <u>criticised</u> due to its volatile nature, causing difficulties for local authorities to plan ahead, lack of links with affordability, and limitations in delivering the net additional homes required. The use of past trends in development does not help in meeting future needs, particularly as the number of people in temporary accommodation and households at risk of homelessness reach <u>record levels</u>. Existing levels of supply will not be enough to tackle this growing need. However, the proposed **new standard method** lacks consideration of local needs assessments and other elements to determine an area's need level, such as homelessness, overcrowding, council housing waiting lists, or temporary accommodation figures. The proposed stock-based methodology focuses purely on existing/historical stock and does not take account of demography or housing market conditions or look holistically at what is best for people in a local area.

Furthermore, we are somewhat confused by the **affordability ratio** which is applied to housing requirements. We understand the basic ratio of 4:1 to mean where house prices are 4x income. But it then goes on to say 'for every 1 per cent above that 4:1 ratio' there will be a further increase. A sliding scale seems sensible, but does this mean that when the ratio hits 5:1 there will be another increase in housing requirement? That might be sensible but it implies a 100 per cent increase (i.e. house prices have gone from 400 per cent of earnings under 4:1, to 500 per cent of earnings under 5:1). We would welcome clarification.

We agree that the standard method should factor in evidence of **rental affordability** (as proposed in question 18). In particular, the private rented sector must be factored into any needs-assessment, as housing costs for those living in privately rented homes have <u>risen exponentially</u> in recent years and have a significant impact upon housing affordability in an area. This is also seen with concerns around the affordability multiplier proposed, which does not differentiate between areas with poor affordability due to high house prices or low wages.

We would suggest that **further research and consultation** is needed on an appropriate methodology to assess housing need and form housing targets. Work by Prof. Glen Bramley in 2018-19 and updated in 2024 for the <u>UK Housing Review</u> (see Annex attachment) provides indicative numbers and methodology that considers demography and affordability, as well as homelessness, land capacity, and oversupply. This method is also reflected in the Highbury Group's NPPF response and should be explored as an alternative method for calculating housing need.



In addition to this, work by Dr Michael Bullock of Arc 4 (see Annex attachment) presents another method of calculating need. His research reviews the impact of the proposed standard method on different localities, particularly in the use of stock-based methodology. This determined that the method was setting very high targets in places where there is significant historic existing stock. Alongside colleagues specialising in rural housing, there are concerns that the increased targets, limitations in resources to deliver, and the affordability multiplier will result in areas not meeting their housing needs in scale, type or tenure. Instead, Bullock outlines a proposal to set the housing requirement as a range, using the standard methodology and 2018 household projections, whereby local authorities can determine their target based on specific knowledge of their housing market, deliverability opportunities and constraints, and demographics of their area. Both Bramley and Bullock provide **alternative methods** for assessing need and setting housing targets, and we encourage the government to explore these to determine the most appropriate approach.

To provide clarity of ambition and need, the government should also set out the **proportions of different tenures** that will make up the overall target of 1.5 million homes. Local planning authorities (LPAs) should be required to set tenure and affordability-based targets based on comprehensive assessments of current and future housing need, with a nationally consistent methodology set by government. Planning policy should enable local authorities to have the flexibility, tools, and guidance to carry out assessments and apply policy appropriately to ensure it delivers the right mix of local housing. The government's aim for "the biggest increase in affordable housebuilding in a generation" is warmly received, as well as the commitment to a long-term plan for housing. However, greater clarity is required around the aim for the mix of tenure within the 1.5 million target, particularly to reflect the government's priority (which we share) for homes let at social rents (see Q47).

In relation to National Parks and Areas of Outstanding Natural Beauty (AONB)/National Landscapes housing requirement, local plans should focus on meeting affordable housing requirements, supporting local employment opportunities and key services. Paragraph 182 should be used to show a list of developments that would be considered appropriate in these areas, including delivery of affordable housing to meet local housing needs through rural exception sites and small sites.

Finally, although we support the reintroduction of mandatory housing targets for local authorities to ensure we are developing at the scale required, there are **practical implications** for the targets created by this new standard method. Through our member engagement, we have spoken to local authorities who have delivered above their existing housing targets, with the understanding that more homes are needed in their area. However, their new target far exceeds this recent overachievement, and the consultation does not consider local authorities who have exceeded targets.

Whilst most local authorities are aware of the wider supply issues and need to boost development and housing in their areas, it must be noted that these increased expectations are being introduced at a time when many are struggling with capacity, resources, and finances. Increasing the demands on local authorities is only feasible if they are given the **necessary support**. There are two issues here:

 As outlined in CIH's recent <u>report</u> on the 2012 debt settlement, assumptions made a decade ago for the sustainability of Housing Revenue Accounts are no longer applicable given changes in government rent policy, unexpectedly high inflation, and extra demands for investment in the existing council housing stock. This has



- been further demonstrated by the <u>report by Southwark Council et al.</u>, which outlined the extreme scenarios many local authorities are now operating in.
- Furthermore, the LGA and others have pointed to the growing crisis in local authority general funds, with many local authorities facing potential section 114 notices, and therefore are paring back resources needed for their strategic housing and planning roles at a time when they should be growing.

As such, any increases in mandatory housing targets must be implemented alongside **funding and resources** to support local authority capacity to deliver them, or they will not be achieved.

Q3: Do you agree that we should reverse the December 2023 changes made on the urban uplift by deleting paragraph 62?

Yes. We agree with the removal of urban uplift by deleting Paragraph 62. CIH <u>raised</u> <u>concerns</u> with this policy when it was introduced, as it was not viable in practice for delivering more affordable housing.

# Five year land supply and 5 per cent buffer

Q7: Do you agree that all local planning authorities should be required to continually demonstrate 5 years of specific, deliverable sites for decision making purposes, regardless of plan status? / Q9: Do you agree that all local planning authorities should be required to add a 5% buffer to their 5-year housing land supply calculations? / Q10: If yes, do you agree that 5% is an appropriate buffer, or should it be a different figure?

We agree with the reintroduction of the five-year land supply (5YHLS) and five per cent buffer, to ensure future supply. The 5YHLS policy is intended as a 'fail safe' and 'check and balance exercise' to remedy any gaps in the trajectory that may open up and to ensure sufficient levels of housing are achieved. Having no requirement to demonstrate a five-year housing land supply until a plan is five years post-adoption is a significant weakening of the power to hold plans to account once adopted. Further, the five per cent buffer provides an opportunity for local authorities to address historic undersupply, and ensures that local authority ambitions can meet government targets for the necessary increase in housing supply in the future.

# **Intervention powers**

Q87: Do you agree that we should replace the existing intervention policy criteria with the revised criteria set out in this consultation? / Q88: Alternatively, would you support us withdrawing the criteria and relying on the existing legal tests to underpin future use of intervention powers?

Yes. It is crucial that local authorities have up-to-date local plans to meet the needs of local people and plan for future housing need. As of March 2024, the government reported that only a third of local authorities had adopted a local plan in the last five years. The government's ambition for universal coverage of local plans will require powers of intervention to ensure that all local authorities are in the process of developing or updating their local plan.



#### **Transitional arrangements**

Q103/104: Do you agree with the proposed transitional arrangements? Are there any alternatives you think we should consider?

Yes, we agree with the need for transitional arrangements. Whilst local authorities and relevant sector bodies will be able to advise on the details, it is positive to see the proposed accommodations for those already in the process of creating a local plan. The aim of the proposals and wider government planning announcements is to speed up the planning process and boost development and growth, which cannot be delayed due to local authorities needing to restart their local plan process. In particular, the potential for targeted support for those needing to rework plans at pace and understanding individual circumstances of each local authority is welcome. The ambition that all local authorities should be on a level playing field in terms of having a local plan that follows the new requirements, to ensure consistency in meeting housing need and achieving the target of 1.5 million homes, is also very welcome.

## Strategic planning and duty to cooperate

Q12: Do you agree that the NPPF should be amended to further support effective cooperation on cross boundary and strategic planning matters? / Q13: Should the tests of soundness be amended to better assess the soundness of strategic scale plans or proposals? / Q14: Do you have any other suggestions relating to the proposals in this chapter?

Yes. We called for strategic level planning to be restored in our 'Homes at the heart' strategy, to encourage greater collaboration and certainty in areas requiring growth and regeneration, and it is positive to see its inclusion in the proposals. This will support the movement towards devolution as elected Mayors create Spatial Development Strategies (SDSs) for their areas and ensure joined-up thinking and cooperation to meet the needs of a local area as a whole, with additional support for areas without elected Mayors. This includes connecting crucial industries like housing and wider infrastructure to create well-designed, practical and healthy communities, such as GP services, transport networks, energy grid capacity, and water systems (see more in Q73). This wider and strategic approach is necessary to solve the housing crisis in its entirety, and the government should ensure this joined-up thinking extends across departments and non-governmental agencies.

The duty to cooperate also plays a vital role in cross-boundary strategic planning, to ensure an area can meet its housing needs and support local communities by releasing land from the green belt. However, government must support local authorities in cases where these relationships do not currently exist or in areas where grey belt land is limited for all local authorities, such as the Southwest with AONBs, and duty to cooperate would not be applicable to facilitate releasing land in these areas. The government's plans to work with local leaders to support and develop the arrangements for cross-boundary strategic planning is encouraging, to ensure that this is practical and useful for local authorities to meet their housing targets and support local plans.

This step towards strategic and joined-up thinking for housing, infrastructure, and wider planning is crucial, and CIH welcomes further detail on the universal coverage of strategic planning as promised in the upcoming Planning and Infrastructure Bill.



# Assessing need, home ownership and affordability

Q47: Do you agree with setting the expectation that local planning authorities should consider the particular needs of those who require Social Rent when undertaking needs assessments and setting policies on affordable housing requirements?

As previously noted, any method of setting housing targets must use an appropriate assessment of housing need. This includes those who require social rent, as well as the statistics on homelessness and temporary accommodation use in each individual locality. (See our answer to Q55 on the provision of specialist and supported housing). As such, it is vital that local authorities include social rent in their consideration of assessing need. Whilst we understand viability concerns (where appropriate) in relation to the proportion of social rent, it is crucial that national policy is framed by government to emphasise the importance of social rent for all new developments and in local plans.

The <u>consultation document</u> is clear on the need to promote and prioritise social rent and other affordable tenures but the <u>draft NPPF</u> contains few changes in this respect. We propose the following to strengthen the prioritisation of social rent:

- Add a new paragraph to '3. Plan-making' setting out the rationale and benefits of greater affordable housing provision and social rent provision in particular, including meeting housing need and enhancing housing delivery through reduced market risk, improving developer cashflow and reducing susceptibility to market cycles. This would support planning authorities to defend social and affordable housing policies in local plan examinations and appeals.
- Add a new paragraph to '5. Delivering a sufficient supply of homes' setting out the rationale and benefits of 1) greater affordable housing provision and 2) social rent provision, in particular. Specify that LPAs should prioritise the provision of social rented housing over other tenures in Development Plans and when assessing planning applications in recognition of the substantial need, previous under- provision and direct and indirect benefits of this tenure. This would not change local plan policies but would support planning authorities in Development Plan Examinations and appeals.
- Amend the definition of "Affordable housing" in 'Annex 2: Glossary' to restore the 2006 reference to 'specific eligible households' with separate definitions of each affordable rented tenure: these should focus on social rent, omit the current reference to affordable rent and make clear that 'build for rent' and 'intermediate rent' are affordable tenures for those not on the lowest incomes but who cannot afford to buy.
  - This would support greater clarity about the tenures required through Section 106 agreements and local plan policies more broadly, help prevent substitution of social rent with other rented tenures and ensure that official statistics can easily distinguish between different rented tenures. We support the <a href="Affordable Housing Commission's">Affordable Housing Commission's</a> recommendation that housing costs should not exceed 33 per cent of a household's net income.
- Paragraph 60 (61 in new draft) amend last line to say: 'Including with an appropriate mix of housing types and tenures to meet the needs of the local community'. This would support prioritisation of the affordable tenures which best meet local need through the planning system, preventing the substitution of social rent with other rented tenures.



- **Paragraph 65** similarly, amend last line to say: 'Including with an appropriate mix of housing types and tenures to meet the needs of the local community'.
- Amend first line of Paragraph 56 (57 in new draft) to: 'Planning conditions should be imposed where they are necessary'. This would not change local plan policies but would support planning authorities in Development Plan Examinations and appeals.

Q48: Do you agree with removing the requirement to deliver 10% of housing on major sites as affordable home ownership? / Q49: Do you agree with removing the minimum 25% First Homes requirement?

Yes. Affordable home ownership is necessary to ensure that developments are meeting the needs of each local area, as well as providing the opportunity for people to buy their own home. As outlined below, the importance of mixed tenure means that all needs can be met through future development, including both rented and ownership options. However, CIH supports the decision to give local authorities the power to determine what is best needed in their local area. We are encouraged to see the removal of the requirement for First Homes, which CIH <u>voiced concerns</u> over due to its limitations in providing more affordable and locally required tenures. We support the movement away from the scheme in favour of other home ownership models.

Q51: Do you agree with introducing a policy to promote developments that have a mix of tenures and types?

Yes, the introduction of Paragraph 69 in the NPPF to expect a mix of housing tenure in all major developments is welcome. Some clarity is needed about what the aims are in supporting mixed-tenure development and the prioritisation of those aims. The three reasons given across the NPPF reforms and the consultation document are to support a swift build out, facilitate placemaking, and help facilitate the 'mix of affordable housing required meets identified local need.

In 2022-23, only 8,386 social homes were built, compared to nearly 40,000 in 2012. In the same year, 52,800 households were accepted by councils as requiring help because they were homeless or in danger of becoming homeless. Evidence produced by Prof. Glen Bramley for the National Housing Federation and Crisis in 2018 identified a need for 145,000 affordable homes per annum over the ten years 2021-31, of which 90,000 would be for social rent and the remainder for low-cost homeownership or intermediate renting. Bramley re-examined and repeated these requirements in 2024 for the <a href="UK Housing Review">UK Housing Review</a>.

If the NPPF is to facilitate the third reason given for supporting mixed tenure developments that truly represent local needs we suggest making the following amendments to Paragraphs 61, 65 and 69:

61. To support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay. The overall aim should be to meet as much of an area's



identified housing need as possible, including with an appropriate **mix of housing types and tenures to meet the needs of the local community**'.

66. Where major development involving the provision of housing is proposed, planning policies and decisions should expect that the mix of affordable housing required meets identified local needs [as set out in the local plan, and where there is not a local plan in place, revert to national need] across both affordable housing for rent [with an appropriate proportion being social rent], and affordable home ownership tenures.

69. Mixed tenure sites can provide a range of benefits including creating diverse communities and supporting timely build out rates and LPAs should support their development through their policies and decisions. Mixed tenure sites can include a mixture of ownership and rental tenures, including rented affordable housing and build to rent, as well as housing designed for specific groups such as older people's housing, *supported housing units, accessible homes,* student accommodation, and plots sold for custom or self-build.

It is worth noting that previous Labour governments strongly supported mixed-income developments and <u>research</u> published by CIH and others demonstrated their benefits for families and children.

Q52 What would be the most appropriate way to promote high percentage Social Rent/affordable housing developments?

As noted, the most crucial avenue for promoting social rent and other affordable housing options is through certainty on grant spending (such as the Affordable Homes Programme), clarity on the proportion of social rent within the 1.5 million homes target, and strengthening developer contributions.

We have identified an additional three opportunities where changes to the NPPF could promote high percentages of Social Rent and affordable housing developments:

- Firstly, to remove the Vacant Buildings Credit (VBC) noted in Paragraph 65. This was introduced as a temporary measure in 2014 to promote brownfield development. In short, it allows the floorspace of existing buildings on brownfield sites to be offset against any affordable housing provision, and our members have told us that this effectively extinguishes the prospect of any affordable housing provision on sites with existing buildings. It not only treats affordable housing as expendable, it also contains an assumption that all such buildings are of low or negative value. This is not the case an example shared with us is that of a former Victorian school in the Cotswolds AONB. The standing buildings were converted to luxury flats, and the grounds used to develop further high-value homes but there was no affordable housing on the site because of the VBC.
- Secondly, remove the national threshold for affordable housing contributions that prevents local authorities from taking affordable housing contributions from sites of less than 10 dwellings. The current NPPF wording assumes that affordable housing is not an essential part of new market housing development, and ignores the very real positive impact that even one or two new affordable homes on modestly-sized new developments can make to a neighbourhood.



• Thirdly, tightening permitted development rules (PDR) to ensure quality and safe design, would promote affordable housing, as schemes that currently do not need planning permission for development would then be subject to Section 106 requirements. (See further detail on inclusion of PDR in the NPPF in Q14).

Q54: What measure should we consider to support and improve the supply of rural affordable housing?

We are active members of the <u>Rural Homelessness Counts Coalition (RHCC)</u> and understand the different challenges that these communities face, such as a 40 per cent rise in rural homelessness over the past five years, the chronic <u>under delivery</u> of affordable homes in rural areas made even the more stark in comparison to that in urban ones, high land prices, and lack of public buy-in to development.

We support calls from <u>CPRE</u>, UCL and English Rural for a **national long-term plan for rural housing** that centres the proportionate delivery of affordable homes. This national rural housing strategy is likely to run counter to the NPPF's prioritisation of 'sequential' development, acknowledging the specific and immediate needs of rural communities, where smaller sites are of strategic importance and the <u>economic benefit</u> that such a strategy would produce. Economic modelling by <u>Pragmatix Advisory</u> demonstrates that for every 10 affordable new homes built in a rural setting the economy will be bolstered by £1.4 million, predicted to generate £250,000 in government revenue.

For those campaigning for affordable housing in rural settings, reform to the planning system must begin with addressing the **underutilisation of Rural Exception Sites (RES)**. For many small communities, the sites are the only pathway to meet housing need, however, less than a quarter (24%) of rural local authorities utilised this policy in 2022-2023. Recommendations include increasing the specific expertise by continuing the national funding for Rural Housing Enablers that specialise in RES development, facilitating landowner/ registered provider relationships, supporting local communities to constructively engage and ensuring quality design.

Framing the NPPF's Rural Housing Section in a way that will encourage LPAs to take a more positive and responsive approach to delivering rural affordable housing should also be considered as a simple but effective method of supporting delivery. Further, to secure meaningful growth of affordable rural homes, the NPPF should require LPAs to incorporate assessments of housing need by size, type and tenure in communities with populations of 3,000 and fewer, leading to the adoption of a specific target in the Local Plan for delivering rural affordable housing

Currently, the NPPF policy prevents LPAs seeking an affordable housing contribution from sites of less than 10 dwellings, except in a few 'designated rural areas'. Designation relies on Section 157 (relating to Right to Buy) of the 1985 Housing Act, not planning policy, and, furthermore, it has to be applied-for via the Secretary of State, requires maps, population figures and densities to be supplied and takes a considerable amount of time to be processed. Local authorities are likely to assume that rural status would come naturally, and rural parishes are traditionally described as such if the population is 3,000 or below. But currently around 66 per cent of these parishes are not designated as 'rural' under \$157 provisions. To increase the supply of affordable housing in rural areas the **definition of designated rural area** in the NPPF could be changed to include all parishes of 3,000 population or fewer and all parishes in National Parks and AONBs and give LPAs



the ability to secure affordable housing contributions from sites of nine dwellings or fewer in these areas.

Changing policy to allow these contributions to be secured would in addition reduce the cost of sites and sales of the affordable homes and guarantee a cashflow for SME builders. This could be achieved by the NPPF explicitly supporting the adoption of lower thresholds in rural areas and changing the definition of 'designated rural areas' to all parishes with populations of 3k or less and in all parishes in AONBs and National Parks. Additionally, exploration could be given to introducing and supporting the **RES Planning Passport** developed by the <u>CLA</u> and <u>Rural Housing Solutions</u>, into national planning policy.

Q55: Do you agree with the changes proposed to paragraph 63 of the existing NPPF?

Yes. We welcome the addition of 'looked after children' in Paragraph 63 of the existing NPPF.

This reform is an opportunity to embed the societal need for **supported housing** into the planning system - an invaluable housing tenure which is critical for reducing homelessness, addressing domestic abuse, helping people live fulfilling lives within the community and relieving pressures on the NHS, justice system and social care, representing a huge saving to the public purse. <u>Latest government statistics</u>, published almost a decade ago in 2016, estimated that over 500,000 people lived in supported housing. This number/need is expected to be much higher now.

<u>National Housing Federation</u> research estimates that 167,000 more supported homes need to be delivered by 2040, a target which may be met more realistically by recognising the national need for these homes in the planning system. The 2022-23 session of the <u>Committee of Public Accounts</u> advised the government to "urgently" understand the value for money this sector does and could offer local and central government and to work to overcome barriers to delivery.

Building these homes is often much more expensive than general needs homes and without adequate inclusion in the planning system and accompanying funding it is unlikely that they will meet commercial viability levels and so, be built. Some local authorities have the delivery of supported housing built into their local plan, but by no means all. For example, <u>Sefton</u>, in their local plan allows for 50 per cent of affordable delivery via Section 106 contribution to be supported homes, on a 'bedspace for bedspace' basis and that that supported home remains as such in perpetuity.

Q57: Do you have views on whether the definition of 'affordable housing for rent' in the Framework glossary should be amended? If so, what changes would you recommend?

'Affordable' and 'affordability' are often confused and used in broad terms in planning, leading to developers and local authorities satisfying planning requirements without providing housing for social rent. A national definition is needed which **relates to local incomes**, with targets for social rented housing linked to a proportion of lowest quartile household incomes rather than average household incomes or market rates. (These should be work based incomes as this avoids including higher incomes of those who live in an area but work outside it which is a particular challenge for rural areas.)



As set out in our response to Q47, we would suggest **amending the definition of** "affordable housing for rent" to restore the 2006 reference to 'specific eligible households' with separate definitions. This would support greater clarity of the tenures required through Section 106 agreements and local plan policies more broadly, help prevent the substitution of social rent with other rented tenures, and ensure that official statistics can easily distinguish between different rented tenures. It may also mean abolishing "affordable rent" as a tenure, so that rented provision aimed at those on slightly higher incomes would be clearly designated as "intermediate rent' (or "build for rent"), leaving social rented homes as the main affordable rented tenure.

# **Planning fees**

Q89: Do you agree with the proposal to increase householder application fees to meet cost recovery?

Yes, we agree that planning fees should be increased to meet cost recovery for local authorities. The Local Government Association (LGA) <u>outlined</u> in 2023 that 305 out of 343 planning departments were operating at a deficit, which then requires taxpayers to subsidise the planning system. The £262 million funding shortfall reduces the ability of planning departments to operate effectively, which is crucial to boost development and growth in the housebuilding sector.

Q95: What would be your preferred model for localisation of planning fees?

Whilst CIH does not have a set view on the localisation of planning fees and refers to other relevant bodies, it is important to note some benefits and challenges in both models proposed. Full localisation supports the government's <u>aims</u> for increased devolution, where local leaders can make decisions to benefit their local community and boost economic growth. It also ensures that the cost of all fees is met. However, full localisation could cause greater inconsistency and confusion, particularly for developers or registered providers operating in multiple local authority areas. The variance of planning fees may discourage development in some areas based partly or wholly on planning fees and/or the planning department's capacity, which could lead to a two-tiered approach and inequality in housebuilding development in areas with high housing need. This could strengthen the case for local variation, with a nationally set default fee with some variance options.

Q96: Do you consider that planning fees should be increased, beyond cost recovery, for planning applications services, to fund wider planning services?

Yes. To build the homes needed, the infrastructure and wider planning required must be funded, either through increased grant, or through other means. This would support service improvements to create an efficient and effective planning department, and free up capacity for local authorities to pay for other necessary services and housing development. It may also encourage young people to join local authority planning departments, with the ability to offer more competitive salaries to provide an incentive to join the public sector over the private sector. However, it is crucial that more consultation and engagement is undertaken to determine the potential impact of the increase in fees for wider planning services on development, as fees should not become a deterrent for development to build the required homes to tackle the housing crisis.



Q102: Do you have any other suggestions relating to the proposals in this chapter?

Local planning departments across England have faced <u>significant reductions</u> in staffing levels over recent years, largely due to budget cuts and the ongoing challenges in recruitment and retention of skilled staff. This **reduction in capacity** has led to increased workloads for existing planning officers, resulting in delays in processing applications, reduced capacity for proactive planning, and limited engagement with communities and stakeholders. In parallel, the complexity and volume of planning applications have grown, further exacerbating the strain. This also impacts upon the ability of local authorities to use new CPO powers, which are crucial in releasing land to build the homes required.

There is further evidence of capacity issues in the area of ecological expertise, which is vital for ensuring developments protect and enhance the natural environment.

Government figures show that in 2022-23, Natural England received 17,761 planning application consultations, and missed its statutory or otherwise agreed deadlines in around 13 per cent of cases. Workload and resourcing issues, especially higher than normal levels of staff churn and the need to upskill new staff, were identified as the main driver of missed deadlines. Simultaneously, Natural England has indicated an intention to focus its advice provision on high-risk and high opportunity casework, noting that decision makers should expect more standardised approaches for lower risk cases. In response to changes, LPAs are supposed to take on the responsibility to apply those standardised guidance in the event of lower risk cases, this a worry when just over a quarter (26 per cent) of LPAs do not have access to ecological expertise.

In addition to capacity issues there are notable **skills gaps** within the planning profession; the rapid evolution of planning policy, including increased emphasis on sustainability, climate resilience (such as issues mentioned elsewhere in our response), and digital technology, requires planning officers to possess a broad range of skills and knowledge that extends beyond traditional planning training. The commitment to introduce 300 new planners and the <u>Planning Skills Fund</u> are an opportunity to address this somewhat but further consideration is needed of action to boost current and future staffing of planning officers, including officers with environmental planning expertise. As the recent Resolution Foundation report, <u>Building Blocks</u>, highlights, an increase of 300 planners translates to fewer than one additional planner per local authority in England, and represents less than 10 per cent of the total fall in public sector planners since 2010. Such a small increase is unlikely to have a material impact on equipping the planning system for kickstarting housebuilding to the levels required.

# **Character and density**

Q4: Do you agree that we should reverse the December 2023 changes made on character and density and delete paragraph 130?

Yes. At CIH we support the development of middle density, 'gentle density' housing, on brownfield, grey belt sites and, indeed, existing sites via upwards extension within and surrounding urban areas dominated by one or two storey buildings. We agree that this should be facilitated by national planning policy to meet local housing needs and that of neighbouring authorities under the reinstated Duty to Cooperate.

The highly sought-after 'character' of those suburbs that the changes to the NPPF in December 2023 aimed to protect (a change which CIH raised concerns on in our <u>consultation response</u> at the time), are themselves, the product of rapid urban



development. Their continued development, like their establishment, can facilitate growth in sustainable development patterns around existing infrastructure and community identities.

It is essential however, that affordability and accessibility are embedded into developments to ensure uplifts in density can serve to keep families living locally, communities connected and core services such as the NHS and care provision working by delivering a housing market that serves households at every life stage and income level (see more detail in the link with health and housing in Q70).

Additional considerations to density may need to apply to address housing supply and homelessness in rural communities where urban presumptions of 'sustainable development' overlook much needed increases in density for small settlements (<3000 people). We discuss the needs of rural communities through reform of planning policy further in our response to Q54.

Q5: Do you agree that the focus of design codes should move towards supporting spatial visions in local plans and areas that provide the greatest opportunities for change such as greater density, in particular the development of large new communities?

No. We support the introduction of specific localised design codes, masterplans and guides for the 'areas of the most change and potential'. However, the benefits of design codes should not be restricted just to areas of intensification, urban extensions or new communities. We suggest that they are **applied to all 'major developments'** (described in the NPPF as 10 units or more). As Paragraph 13 in the consultation document illustrates, it is not design codes that are problematic, but the capacity of LPAs to adequately prepare and enforce them. We speak further about capacity, skills and resources in our response to Q102.

The restriction of design codes to only the largest extension sites will take away a useful tool of LPAs to protect communities from poorly designed schemes on smaller sites that may only serve to enhance unit numbers, not quality homes and neighbourhoods. The provision of **quality homes and places** is a central ask of CIH's 'Homes at the Heart' strategy citing the costly poor health and social outcomes that arise from substandard homes. Design codes have been shown to be a driver of quality homes, in research undertaken by Place Alliance. Developments that were rated as being either 'very good' or 'good' were near five times as likely to have used design codes than those rated as 'very poor' or 'poor'. That same report found that the design of over three quarters of new housing developments they audited was 'poor' or 'mediocre'.

The retention of district wide design codes, each informed by a revised National Model Design Code, required by developers and enforceable by planning authorities would be welcome to protect all new homes from poor design and quality. These revisions may seek to rebalance the understanding of the 'character' of a place away from the current dominance of aesthetics rooted in the previous government's 'Living with Beauty' report and assemble 'character' to include a vision for the future that centres on long-term spatial planning for health, an ageing population and climate resilience, rooted in present usability and constraints of a neighbourhoods, whilst respecting and complimenting heritage.

Quality homes and places and economic growth are not in competition with one another, and design codes are a tool that can support the government's wider aims of



economic growth. Research by the Royal Institute of Charter Surveyors (RICS), found that projects that incorporate design codes from planning stage have been shown to uplift profits for developers of between five per cent to 55 per cent, stating that "Good placemaking techniques in high value areas can secure additional premiums of over 50 per cent."

Q14: Do you have any other suggestions relating to the proposals in this chapter?

As well as points related to the proposals in Chapter 3, we believe it is important to note what is missing from the consultation. There is no mention of **permitted development rights (PDR)** in the proposals, which links directly with discussions on density and quality of homes. CIH has previously expressed its <u>concerns</u> regarding the expanded use of PDR. Whilst there is a clear need for expedited development of new homes, the ever-increasing move towards deregulation through the continual expansion of PDR over the last decade has been disastrous. In 2020, government commissioned <u>research</u> found that homes created through permitted development conversions "create worse quality residential environments than planning permission conversions in relation to a number of factors widely linked to the health, wellbeing and quality of life of future occupiers." The TCPA have also <u>found</u> evidence that excess cold and excess heat hazards are common issues in homes created through permitted development, which can leave their occupants at an increased risk of ill-health and make it more difficult for them to attain adequate levels of thermal comfort.

This evidence shows that in its current form, the PDR process does not ensure the necessary standards and safeguards are in place to deliver the new quality homes we need. We encourage the government to review the proposals of the 'Changes to various permitted development rights: consultation' in February 2024 and ensure that all homes are built to a high quality and energy efficiency standards. The work of the <a href="New Homes Quality Board">New Homes Quality Board</a> and New Homes Ombudsman hopes to improve the outcomes and quality of new developments, and it is important that this is not sacrificed in order to increase quantity.

In addition, there is no mention of **placemaking** in the consultation. CIH has <u>expressed</u> previously that planning reforms must not come at the expense of quality and placemaking, and it is important that the government includes these principles in the NPPF to ensure developments take into consideration the people who will live in these homes and their need for good local facilities and services, wherever possible within walking distance. This will be particularly important in the introduction of New Towns, on which we hope to see more detail following the creation of the <u>New Towns Taskforce</u>.

#### **Sustainable development**

Q6: Do you agree that the presumption in favour of sustainable development should be amended as proposed?

Yes. However, we believe that **additional detail** is necessary to strengthen the presumption to deliver the right homes and protect communities where there is not a local plan in place, whilst speeding up housing delivery. Paragraph 15 of the consultation document says that proposed changes to the 5-year land supply and the re-introduction of mandatory targets are 'likely to bring more local governments into the scope (of the presumption) in the short term.' In CIH's <u>response</u> to the 2023 NPPF consultation, we



raised concerns for those local authorities put into the same position due to the previous changes to the presumption.

We would agree with the concerns mentioned in Paragraph 17 of the Consultation Document that the presumption can be a pathway for the development of low-quality, unsustainable development, which further undermines trust in local authorities to deliver necessary homes in line with the legitimate concerns of local communities. Taking that into account, we welcome the changes proposed in Paragraph 11, d. ii concerning location and design of development, but recommend that the NPPF explicitly incorporates homes for social rent and other tenures in the 'securing of affordable homes' part of the paragraph and carries forward the 2023 NPPF consultation response recommendation to ensure that proposed new developments granted permission under the presumption, reflect the national need for homes at social rent and other tenures where a local plan is not in place. Additionally, those homes should be built to the highest standards of energy efficiency and support quality placemaking by making it explicit that homes on these sites should have access to local facilities, green spaces and transport links.

We are, however, concerned that the failure of the new standard methodology which takes no account of housing market conditions, land and LPA capacity, results in housing requirement numbers that are undeliverable. The result will be to trigger the 'presumption in favour of sustainable development', which will undermine the Plan-Led system and result in planning by appeal. Ultimately, this will weaken the implementation of the positive changes that the NPPF consultation is proposing.

## Brownfield, grey belt and the green belt

The future of the green belt is a controversial topic and is often used as a 'political football', but addressing it holds some of the answers to the UK's housing crisis. Care must be taken to ensure that the right homes are delivered in the right places and due diligence is taken to identify and protect natural habitat sites for protection. In short, any green belt development must tangibly demonstrate long-term public good, not just satisfy those who seek to build on it for gain.

Q20: Do you agree that we should make the proposed change set out in paragraph 124c, as a first step towards brownfield passports?

Yes. Where there is no local plan in place, those brownfield developments within settlements should protect local communities through the application of National Model Design Codes, <u>Natural England standards on accessible green space</u> and reflecting national housing need.

Q21: Do you agree with the proposed change to paragraph 154g of the current NPPF to better support the development of PDL in the Green Belt?

Yes, (although it is unclear as to whether this refers to Paragraph 153 or 151 in the draft provided).



Clarity is needed as to what the definition of 'openness' of the green belt means. Is it, for example, measured against the five purposes of the green belt (Paragraph 140), or, is the 'openness' of each development within the green belt assessed within its local context?

In regard to the delivery of rural homes, Paragraph 144 should clarify that Rural Exception Sites are not precluded where there is no deliverable previously developed land or grey belt sites in the rural communities within the green belt where a local housing need has been evidenced.

Q23: Do you agree with our proposed definition of grey belt land? If not, what changes would you recommend? / Q26: Do you have any views on whether our proposed guidance sets out appropriate considerations for determining whether land makes a limited contribution to Green Belt purposes?

No. We believe the inclusion of the wording 'limited contribution' is too subjective and interpretive and could leave legitimate planning decisions that deny developments on the green belt open to lengthy litigation and 'planning by appeal'.

We propose **amending the definition of grey belt** in 'Annex 2: Glossary' to be more specific, giving examples of the types of land which should be considered grey belt, e.g. golf courses, land which is or has been occupied by a permanent structure or area of hardstanding. This would provide more clarity over grey belt status for at least some land, reducing the time and capacity needed to release grey belt land, which should then deliver higher levels of social rent and other affordable tenures than local plans require for other land.

We would also argue that, though useful, the five original purposes of the green belt as defined in the Town and County Planning Act 1947 may not be fit for current needs and fail to include assessments of the quality and the public use of each part of green belt land considered for release.

It is encouraging that the House of Lords Built Environment Committee has launched an <u>inquiry</u> into grey belt development, which CIH will be responding to. This inquiry about what is defined as grey belt development will be crucial in clarifying what land can be released from the green belt and provides local authorities with the opportunity to review the impacts of proposed grey belt release in their areas.

Q24: Are any additional measures needed to ensure that high performing Green Belt land is not degraded to meet grey belt criteria?

Steps taken to limit 'hope value' will discourage landowners from degrading green belt land to meet grey belt criteria. At CIH we would support the swift construction of rigorous local authority grey belt surveys and registers. These registers should ensure that sites are only included as grey belt parcels subject to standardised biodiversity and land quality surveys. Additionally, following a grace period where legitimate grey belt parcels are identified, any new parcels of Previously Developed Land demonstrating a 'limited contribution' to the green belt should not be granted planning permission.

Q27: Do you have any views on the role that Local Nature Recovery Strategies could play in identifying areas of Green Belt which can be enhanced?



We would welcome more clarity on the relationship between Local Nature Recovery Strategies and the guidance for identifying land which makes a limited contribution to green belt purposes. Wherever possible, areas identified in draft or published Local Nature Recovery Strategies should be excluded from land considered for development.

Q28: Do you agree that our proposals support the release of land in the right places, with previously developed and grey belt land identified first, while allowing local planning authorities to prioritise the most sustainable development locations? / Q30: Do you agree with our approach to allowing development on Green Belt land through decision making? If not, what changes would you recommend?

Yes, we support the strategic release of the green belt in sustainable locations; please see our answer to questions 12-14.

However, we would support calls from organisations such as <u>CPRE</u> in **strengthening the** 'brownfield first' approach, whether that might be in allowing local authorities to undergo sequential release of land identified in their supply in the context of the nature land supply in their area, remediation funds for brownfield development and national guidance giving local authorities the ability to prioritise the use of New Homes Bonus (NHB) to development on brownfield sites. CPRE's previous research has shown that there is space for at least one million homes on suitable brownfield land, much of this in the Midlands and North of England as well as the highly pressured Southeast.

One of the criticisms of brownfield first planning approaches is they will not deliver on the homes that people want to live in, such as family homes with gardens. With <u>latest statutory homelessness figures</u> showing 150,000 children currently living in temporary accommodation and four per cent of households living in overcrowded homes (<u>Census 2021</u>) it is not feasible that every family would be able to live in houses with gardens. Where it's likely that apartments are going to be delivered, efforts should be for those blocks to be designed with families in mind, with elements such as enclosed common play areas in direct sightline of family units, adequate sound-proofing and flexible living spaces, as described by the <u>Cities People Love</u> guidance.

Q31: Do you have any comments on our proposals to allow the release of grey belt land to meet commercial and other development needs through plan-making and decision-making, including the triggers for release?

Meeting the government's supply ambitions is going to be challenging to achieve at current development levels, particularly whilst we await certainty on necessary funding to deliver these homes. Building on the green belt is publicly contentious, if somewhat misunderstood, however its review is necessary to address the housing crisis. We welcome the 'golden rules' put forward in these proposed reforms and believe that those who are profiting from the release of that land should, as a result, be compelled to contribute to the public good. The cost of achieving the primary aim of this NPPF reform, to build 1.5 million homes, should be shared through the application of all three golden rules to any 'major development' (as defined in the NPPF Annex 2 glossary: page 76) whether residential, or commercial.

As such, we propose commercial and other non-residential developments should have to contribute financially to the delivery of off-site affordable homes. This



contribution should be added to a ringfenced pot within the relevant local authority to drive the delivery and viability of affordable and socially rented homes.

That would entail the following amendment to Paragraph 155a in the NPPF:

'In the case of schemes involving the provision of housing, at least 50% affordable housing, with the levels of different tenures of affordable housing determined by local planning authorities to reflect the local assessment of need, prioritising social rent'. In the case of schemes involving commercial and other development, a financial contribution (according to site size and developer gain) is allocated to a ringfenced fund for off-site affordable housing [with an appropriate proportion being social rent] in the same local authority area.

Q34: Do you agree with our proposed approach to the affordable housing tenure mix?

We agree that local authorities should be able to decide the tenure split across the affordable housing delivered under the 'golden rules'. However, the decisions made should be linked to local housing need (which we discuss further in Q47) and mixed developments not just in terms of tenure, but including additional considerations such as support needs (Q55). We propose the following changes:

- Amend Paragraph 155 part a) to 'In the case of schemes involving the provision of housing, at least 50% affordable housing, with the levels of different tenures of affordable housing determined by LPAs, prioritising social rent.' This would provide more clarity over how affordable housing policy for land released from the green belt should be determined at Plan and application stage, and give a stronger steer to prioritise social rent.
- **Amend 'Annex 4**: Viability in relation to Green Belt release' to more tightly control and define the conditions under which LPAs' tenure-specific affordable housing policies for land released from the green belt can be reduced.

Q35: Should the 50 per cent target apply to all Green Belt areas (including previously developed land in the Green Belt), or should the Government or local planning authorities be able to set lower targets in low land value areas?

Yes, we believe the 50 per cent target should apply to all land released from the green belt (including previously developed land in the green belt). To reflect the true level of housing need in those areas we suggest the following amendment to Paragraph 155a:

'In the case of schemes involving the provision of housing, at least 50% affordable housing, with the levels of different tenures of affordable housing determined by local planning authorities to reflect the local assessment of need, prioritising social rent'

Q36: Do you agree with the proposed approach to securing benefits for nature and public access to green space where Green Belt release occurs?

Yes. The links between green space access and good **health and wellbeing** are <u>well-established</u>, and planning policy should enshrine benefits for nature and public access to green space within green belt development.



The proposed approach must ensure that public access to green space is inclusive. Research shows that disabled people, and people with long-term health conditions, often face significant barriers trying to access local parks and green spaces, especially in urban areas. For example, Disability Rights UK have <a href="highlighted">highlighted</a> the accessibility issues created by poor design, such as barriers or bollards at park entrances, which impede access to mobility scooters. Research by Natural England has also <a href="https://www.underlined">underlined</a> the multiple barriers to accessing green space faced by people with visual impairments. More widely, there are inequalities in access to existing green space, and the Health Foundation <a href="have shown">have shown</a> that people living in more deprived areas, minority ethnic groups and younger people are more likely to live in areas with less access to green space.

The government's approach should therefore have **accessibility** at its core and ensure that **access to green space** is based on principles of inclusion by design. This should be the case for all green space, not just where green belt release occurs. It is not sufficient to specify an objective that good quality green spaces are accessible 'within a short walk' - a more robust statement of accessibility is required that takes disability, mobility, and other relevant factors into account. This could be based on principles articulated in Natural England's <u>research</u> on improving the accessibility of green and blue spaces, especially:

- Provide accessible information in various formats, such as audio, large print, and/or braille, tactile mapping and colour schemes.
- Improve transportation options, such as providing accessible public transport and parking or drop-off points.
- Enhance physical access by ensuring uneven terrain, potholes, overhanging trees, bushes and other barriers are addressed.
- Increase availability of facilities, such as benches, toilets, cafes or pubs, picnic areas, and bins including dog bins.
- Address safety concerns, such as getting lost, falling or becoming a victim of crime or negative attitudes from others by improving signage, lighting and staff presence.
- Offer organised activities, such as walks or tours, and walking groups to provide social interaction and help overcome challenges of visiting alone.

We welcome the commitment to securing benefits for nature where green belt release occurs. We would welcome clarity, in due course, on the meaning of *benefits for nature*, and we feel this should be based on enhancing green spaces from the point of view of biodiversity and nature recovery. Local Nature Recovery Strategies are the natural vehicle for this commitment.

Planning policy should also recognise the importance of **blue spaces**, as well as green spaces. The government's own <u>health and inequalities project on blue spaces</u>, led by the Environment Agency, has found that water environments like rivers, lakes, streams, marinas, and canals have a range of physical, social, and psychological health benefits. We would like to see planning policy recognise the importance of blue spaces, and improving public access to blue spaces, as well as green spaces.

Finally, as noted in our answer to Q102, we must recognise the **capacity issues** that both LPAs and Natural England are experiencing. Without adequate funding and resource, the ability to inform and enforce plans for net gain biodiversity and quality green spaces for the public good in new developments in the green belt will be hindered.



Q41: Do you agree that where viability negotiations do occur, and contributions below the level set in policy are agreed, development should be subject to late-stage viability reviews, to assess whether further contributions are required? What support would local planning authorities require to use these effectively?

**Viability concerns** are often valid in difficult financial environments, as stated previously. However, it is a concern of many in the sector that these can often be used as 'loopholes' to avoid developing affordable housing, as sometimes seen in Section 106 agreements. The importance of involving all involved parties (developers, local authorities and registered providers) early in the process is necessary to ensure that the right type, quality and tenure of homes are being built to meet local needs. This will also mean that viability concerns must be raised early on, with sufficient evidence. Local authority representatives may be best placed to address whether late-stage viability reviews would be appropriate, as it can be considered useful to ensure that developers are fulfilling commitments to contribute to the required supply of affordable housing, but may create more limitations in capacity, resource and speed in the planning process. This may not always be appropriate for all local authority areas, particularly in relation to rural areas.

Further, the government can go further to promote the **build-out** of land with planning permission, following viability discussions. Once approved, the <u>transition</u> from planning to new build activity can take considerable time, <u>impacting</u> upon housing delivery and targets. Whilst there must be an understanding of exceptional circumstances and valid reasons for delays, increased powers for local authorities or central government to encourage or enforce build out would be valuable additions to planning legislation.

## **Healthy communities**

Q70. How could national planning policy better support local authorities in (a) promoting healthy communities and (b) tackling childhood obesity?

The NPPF supports the development of healthy communities largely through stressing the importance of incorporating safe and accessible green space and encouraging walking and cycling. These are important factors but not the only means by which the planning system can and should be embedding healthy homes and places into its local plans and strategic approaches. CIH supports the **healthy homes principles** set out by TCPA to be the baseline to incorporate health within new housing development, to support activity that would contribute to reduced childhood obesity. We would encourage consideration of how these principles can be embedded within or used to inform national planning policy and guidance.

Understanding the needs of current and future communities, to ensure that **the right homes are built in the right places** is also critical to support people for whom proximity to amenities and public services is needed to support independent living, including but not exclusive to housing for older and disabled people and people with learning disabilities. CIH is a member of the Housing Made for Everyone coalition (<u>HoME</u>), calling for all new homes to be built to higher accessible and adaptable standards. Alongside these reforms to the NPPF, we need to see urgent action to bring in requirements that all new homes should be built to these higher standards (Building Regulations Part M 4 (2)). This will then enable planners to focus on identifying and meeting the needs of people who require wheelchair accessible housing, or specialist supported housing in appropriate locations.



Many local authorities have an older people's housing plan or a supported housing plan, but not all do so consistently and there is not always alignment between these strategies and local plans, needed to provide clarity for developers to address such needs. The Supported Housing (Regulatory Oversight) Act 2023 includes the requirement for local authorities to develop and then review supported housing strategies every five years, so it makes sense that the NPPF will reflect that and indicate preferred areas for such development.

The recommendations of the <u>Older People's Housing Taskforce</u> should be considered alongside this, as well as the range of <u>evidence</u> of the social and cost benefits of providing suitable older people's accommodation.

# Supporting green energy and the environment

Q72: Do you agree that large onshore wind projects should be reintegrated into the s NSIP regime?

Yes. In practice, the timescales from application to decision on NSIPs can be considerable, and the government has <a href="https://highlighted">highlighted</a> that in 2021 decisions took over four years on average. Given the new government's ambitious targets to double onshore wind energy by 2030, the Planning Inspectorate and statutory consultees must be resourced effectively to handle the increase in applications implied by these proposed changes.

Q73: Do you agree with the proposed changes to the NPPF to give greater support to renewable and low carbon energy?

Yes. Increasing renewable and low-carbon energy generation is essential for **energy security**, accelerating our transition away from fossil fuels, and tackling fuel poverty, and we support changes to the planning system to enable this. Accelerating renewable and low-carbon energy generation is also essential for ensuring that the additional demand on the electricity network that will be created through the acceleration of housebuilding can be met. CIH members we have consulted with have noted more generation needs to come onto the system to meet the electricity demand that will be created by new homes, especially as they are increasingly fitted with electric heating and electric vehicle charge points.

In addition, the planning system needs to be more attuned and aligned to challenges associated with the provision of electricity and water network infrastructure for new homes. CIH members we have consulted about this consultation have experienced several **barriers** in this area, including:

- Delays to handover and occupation of new homes due to problems with substation energisation.
- The cost of new substations, especially on smaller developments, due to the
  infrastructure requirements of electric heating systems and electric vehicle (EV)
  charge points. CIH members have experienced costs of between £80,000 and
  £100,000 in such scenarios, as well as reduced site layout efficiencies due to the
  space required for new substations.
- Challenges working with independent distribution network operators (IDNOs). CIH
  members have reported that an increase in the number of IDNOs is reducing
  choice and competition in infrastructure development.



- Challenges whereby housing developments and renewable energy developments effectively compete for space, especially near substations.
- A broader lack of electricity network capacity in certain areas, which has two
  negative outcomes: a) delaying new developments due to waiting for network
  connections, and b) challenges in developing innovative low- or zero-carbon
  developments (e.g. with solar PV and battery storage), due to a lack of capacity or
  feed-in mechanisms.

We would therefore encourage the government's review of the NPPF and the wider planning system to consider the holistic allocation of sites for renewable and low-carbon energy, the allocation of sites for housing development through local plans, and wider issues of electricity and water network capacity. In particular, efforts to build more homes and develop the capacity of the electricity network must be coordinated.

Q74: Some habitats, such as those containing peat soils, might be considered unsuitable for renewable energy development due to their role in carbon sequestration. Should there be additional protections for such habitats and/or compensatory mechanisms put in place?

Yes, additional protections for such habitats and/or compensatory mechanisms should be put in place. Renewable energy development should **not** take place on sequestration habitats, and if it does, strict principles enforced through the planning system should apply.

Peatlands and other similar habitats play a vital role in climate change mitigation through their capture and sequestration of carbon. Just one hectare of peatland can contain 5,000 tonnes of carbon that <u>starts to be released</u> into the atmosphere when wind turbines are installed. The protection and restoration of peatland habitats is therefore a <u>vital nature-based solution</u> to the twin crises of climate change and biodiversity loss, and development - of both renewable energy and new homes - can exacerbate these problems. In addition, the government's independent Climate Change Committee <u>has noted</u> that tree planting and peatland restoration rates are 'significantly off track' for meeting current government targets. The government's target of achieving approximately 32,000 ha of peatland restoration per year by 2026 is also significantly less ambitious than the Climate Change Committee's own recommendation. This means that the government's welcome mission to expand renewable energy generation must be balanced by proportionate protections for peatlands and other similar habitats that provide sequestration.

We therefore propose that that renewable energy development should not take place on peatland and other sequestration habitats.

If the government decides that renewable energy development can take place on peatland and other sequestration habitats, the planning system must be strengthened to ensure that it contributes to peatland restoration and reverses degradation, and the enhancement of other habitats vital to sequestration. The planning system should therefore ensure such sequestration habitats are suitably protected and we agree with the TCPA's suggestion of a precautionary approach to safeguarding such land where renewables may be unsuitable. The most effective route to achieve this is through a plan led system and the allocation of land based on clear evidence. At the moment, there is no evidence required for plan making or decision making that accounts for carbon impacts, including land which offers benefits through carbon sequestration. If this was in place, it would clearly help identify land that provides important sequestration functions.



Q78: In what specific, deliverable ways could national planning policy do more to address climate change mitigation and adaptation?

There are three specific, deliverable actions that would improve the capability of national planning policy to address climate change:

- Aligning planning policy and relevant decision-making to the Climate Change Act 2008 and its associated carbon budgets.
- Further strengthening Paragraph 164 to better enable energy efficiency and low-carbon heating improvements to existing homes, including solar PV.
- Providing additional support to social housing providers to support them to meet the objectives of the NPPF.

First, the NPPF does not currently reference the UK's legally binding **net zero targets or carbon budgets**. We agree with the Royal Town Planning Institute (RTPI) that planning policy and relevant decision-making should be aligned with the Climate Change Act 2008 to ensure that all new developments are consistent with our climate obligations. This needs to be accompanied by the finalisation of the Future Homes Standard and related updates to Building Regulations. If we do not prioritise this, we <u>risk surpassing</u> our carbon budgets through housebuilding activity alone. It would also not be a good outcome if a large proportion of the government's 1.5 million new homes placed their occupants at greater risk of fuel poverty because they were built to previous Building Regulations.

Secondly, most housing associations have targets to improve the **energy efficiency** of their homes to a minimum of Energy Performance Certificate (EPC) Band C by 2030. Energy efficient homes generally emit less carbon because they require less gas or electricity to maintain a comfortable temperature for the occupant, and they are also more affordable to keep warm.

<u>Paragraph 164 of the current NPPF</u> currently states that LPAs should give significant weight to the need to support energy efficiency and **low-carbon heating improvements** to existing buildings. In 2022, <u>domestic heating was responsible</u> for 17 per cent of carbon emissions across the UK, and we therefore support the intention of Paragraph 164.

However, CIH members we have consulted with have experienced challenges obtaining planning permission for major energy efficiency upgrades in housing association properties, preventing them from undertaking this work, even after the 2023 update to the NPPF, which introduced Paragraph 164. In addition, our members have noted that there are a range of inconsistent practices adopted by LPAs. For instance, we have been informed of one example where, at preliminary inquiry stage, one LPA has asked a housing association to submit individual applications for each home. This is not only financially unviable, but also impossible to resource, because it would involve the preparation of thousands of individual applications. In contrast, the same housing association has received a presumption of approval following outline information from adjacent LPAs, which enables energy efficiency upgrades to be undertaken quickly, delivering immediate benefits for residents and climate alike.

The planning system should make it as simple as possible to undertake energy efficiency and low-carbon heating upgrades to existing homes, including solar PV. We acknowledge that LPAs may wish to scrutinise energy efficiency upgrades to existing homes within their boundaries, to ensure that they are compliant with local targets. However, this must be balanced against the urgent need to improve the energy efficiency of our homes to meet statutory fuel poverty targets, carbon budgets, and keep us on a pathway to net zero in



existing homes. We would therefore like to see Paragraph 164 strengthened, perhaps through the addition of a statement of presumption in favour where adequate outline information has been provided. Some of these issues (such as questions of aesthetics around external cladding, installation of solar panels, etc.) could be dealt with satisfactorily in design guides.

Thirdly, CIH members have pointed out that in order to meet the government's ambitions of accelerating supply while retrofitting existing homes, more support is required in the form of **funding, technical assistance, and clear guidance**. In particular, the additional costs associated with decarbonising and improving the energy efficiency of existing homes could reduce social landlords' capacity to build new affordable housing. We would encourage government to use the forthcoming Spending Review to set out a long-term retrofit programme and strategy that supports social housing providers to meet the government's ambitions on delivering sustainable, high-quality new *and* existing homes.

Q81: Do you have any other comments on actions that can be taken through planning to address climate change?

We have three further comments to make.

First, although we acknowledge that they are separate from the planning system, National Development Management Policy (NDMP) and Building Regulations have an important role in addressing climate change. We would like to see consideration given to **embodied carbon**.

Embodied carbon, defined as the carbon emissions generated from the production and transportation of building materials, as well as by construction processes and building maintenance, comprises around 1 in 10 tonnes of the UK's total greenhouse gas emissions. Despite this, embodied carbon is not subject to regulation in the UK. CIH members and partners we have consulted with recognise the importance of embodied carbon, and agree in principle with placing limits on the amount of embodied carbon permitted in new developments. In its consultation on the Future Homes Standard, the previous government noted that it would seek views on measuring and reducing embodied carbon in new buildings in due course, and the new government should honour this commitment.

Measuring and reducing embodied carbon could be achieved through the adoption of <u>Approved Document Z and wider embodied carbon regulation</u>, which is widely supported. However, if firmer obligations around embodied carbon, carbon budgets, and carbon assessment are mandated, LPAs will need significant support and additional resources to ensure their local plans can be compliant.

Secondly, the previous government consulted on amending permitted development rights (PDR) for the installation of **air source heat pumps** within the curtilage of a domestic building. This consultation included removing the limitation that an air source heat pump must be at least 1 metre from a property boundary, and increasing the current volume limit of 0.6 cubic metres.

CIH <u>agrees</u> with these proposals, and the new government should progress these changes as soon as possible to remove unnecessary barriers to the deployment of heat pumps, which are essential to decarbonising our homes and mitigating climate change.

Thirdly and finally, Paragraph 158 of the current NPPF states that plans should take a proactive approach to mitigating and adapting to climate change, considering (among



other things) the risk of overheating from rising temperatures. This is an important paragraph that CIH supports, especially in relation to overheating in homes. However, we think the planning system needs to do more to mitigate the risk of **overheating** in new homes.

A recent <u>summary</u> published by the Met Office states that the **average global temperature** for 2024 is forecast to be between 1.34°C and 1.58°C above the average for the pre-industrial period. Limiting global heating to 1.5°C, which is central to the international Paris Agreement, is becoming increasingly unlikely. In addition, <u>projections</u> by the UN Environment Programme state that even in the most optimistic scenarios, the chance of limiting global heating to 1.5°C is only 14 per cent, "and the various scenarios leave open a large possibility that global warming exceeds 2°C or even 3°C." If these projections are accurate, <u>data published</u> by the University of Maryland suggests London summers will be 4.6°C warmer and 10% drier than the present day, and that cities in the North and Midlands will see similar rises.

This data is important because the IPCC's AR6 report <u>concluded</u>, with high confidence, that "in Europe the number of people at high risk of mortality will triple at 3°C compared to 1.5°C warming". The government's <u>Health and Housing Safety Rating System</u> (HHSRS) notes that there is an increase in the risk of thermal stress, strokes, and cardiovascular strain and trauma in higher temperatures. It also notes that in temperatures over 25°C, mortality increases. The increase in mortality from excess heat has been measured by the Office for National Statistics (ONS). Its <u>latest data</u> shows that during the five heat periods between June and August 2022, 56,303 deaths occurred in England and Wales and were registered by 7 September. This was 3,271 deaths (6.2%) above the five-year average.

In new developments, Approved Document O (Part O) sets out guidance for adhering to Building Regulations to prevent new homes from overheating. However, there are a series of issues with Part O. It does not apply to all homes, and there is no requirement for it to be applied to homes created through permitted development and/or material change of use processes, such as office-to-flat conversions. In response to the previous government's technical consultation on the **Future Homes Standard**, we evidenced in detail why Part O needs to apply to all new homes, providing several examples of change of use developments that are at high risk of excess heat hazards. We also have more fundamental concerns that Part O may not be sufficient for adequately mitigating the risk of overheating, especially for at-risk groups such as older people and very young children, in global warming scenarios of 3°C or higher. For example, it contains no consideration of strategies used in hotter climates to mitigate the risk of overheating, such as the use of high albedo surfaces.

In total, this evidence suggests that the planning system needs to be more prescriptive to prevent new development that poses an **overheating risk** to occupants. One way to accomplish this would be to adopt the Energy Assessment Guidance (EAG) published by the Greater London Authority. The EAG was updated in 2022 in light of Part O, and features detailed guidance on how overheating should be mitigated in planning applications. We would also like to see greater consideration of nature-based cooling solutions, such as urban tree cover. The UK Green Building Council has emphasised that urban tree cover is especially important for reducing overheating (and flash flooding), but is sparse in many urban areas. Urban tree cover can reduce air temperatures by 3°C, and planning policy could therefore consider approaches such as the <u>'3-30-300 rule'</u>, whereby individuals see three trees from their dwelling, have 30 per cent tree canopy in their neighbourhood, and live within 300 metres of a high-quality green space. This would also deliver on priorities of providing access to green space, as noted in Question 36.



More widely, we would also like to see the new government review the Third National Adaptation Programme (NAP3), published by the Department for Environment, Food, and Rural Affairs (DEFRA), which has been <u>described</u> by the UK Green Building Council as missing "an urgent and [ambitious] plan to adapt to increasingly severe, frequent and extreme weather like last year's heatwaves which took nearly 3,000 lives in the UK", and take forward the findings from the Environmental Audit Committee's <u>inquiry into heat resilience and sustainable cooling</u>, which recommended that government should establish a national overheating strategy linking housing, energy, the built environment, and the planning system.

#### **About CIH**

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support and knowledge they need. CIH is a registered charity and not-for-profit organisation so the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in the public and private sectors, in 20 countries on five continents across the world. Further information is available at: <a href="https://www.cih.org.">www.cih.org.</a>

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