

# Housing White Paper – Fixing our broken housing market

## Response to Government consultation

---

### General Observations

1. The RTPI welcomes many of the measures contained in the Housing White Paper - many of which the RTPI has long campaigned for, including more comprehensive measures to increase the supply of suitable land available for housing. RTPI sets out its analysis of the long-term failure in the housing sector characterised by the Secretary of State for Communities and Local Government as the “broken housing market” in its position paper [Better Planning for Housing Affordability](#).
2. However there are some issues concerning housing which the white paper does not address. It makes no mention of a mechanism to capture rising private land values so as to benefit communities – the single most useful instrument to channel more value generated by development towards public benefit investments such as social housing and good infrastructure without incurring more public debt.
3. And as we have explained in our [comments on the UK Government Industrial Strategy](#) there still appear to be limited connections between central government housing strategy and industrial strategy.
4. The RTPI welcomes the Government’s intention to join up development with infrastructure, which we have strongly advocated, and urge that the Government works across departments to achieve this. We welcome concrete measures to address infrastructure delivery (e.g. the Housing Infrastructure Fund) but the narrative continues to place a high reliance placed on “policy” (see A57) rather than direct action. And whilst there is growing recognition of the role of builders in delivery (or *failing* to deliver) the lack of cooperation from infrastructure providers (even when money is available) can be equally detrimental. Apart from the matter of assisting connections to the network, this issue has been bypassed by the White Paper and yet the solutions lie in Ministers’ control over infrastructure regulators.
5. We have strongly campaigned for more resources to be given to local authority planning departments and welcomes the Government’s plans to allow local authorities to raise fees for planning applications up by 20% to be reinvested in LPAs (and up to 40% where there is an up to date plan). However we are concerned that these measures may not be sufficient to mitigate for years of under investment and resources need to be made available to enable the LPAs to cope with the demands the new Government policies outlined today will place on them. We are especially concerned that requiring local authorities to move cash *into* planning from other stretched services in order to access the higher fees in an overall environment of

falling cash budgets (as a result of central government policy on local government finance) could mean there is limited uptake and therefore limited impact.

6. The RTPI has previously argued that it is essential that there is greater diversity in the housing market to address the issue of affordability and cautiously notes the Government's new focus on a wider range of housing tenures. However whilst the particular focus on "starter homes" alone has been broadened, the Government is still insisting on 10% of a site being for affordable home ownership. Surely this will rule out affordable renting (unless it is private sector renting). Unless housing benefit levels are sufficient building new private sector rental units will not assist the most needy. We also have questions around the concept and definition of "affordable private rent".
7. The White Paper comes across as quite hard on developers, whereas an equal concern of ours is the behaviour of land owners, who may hold out for high prices for land to be released in the right places. This is why we have as a policy objective free and easy access to data on land ownership, especially in and around towns and cities. This should be a priority for the next phase of the management of the Land Registry.
8. Despite a very welcome understanding of the difference between a planning permission and a completed home, the language in many parts of the White Paper continues to speak of local authorities "delivering homes" (A89, A93 etc). We are pleased to see increases in council house building and are supporting a [study of this](#) by the National Planning Forum. However it is mainly private housebuilders who build homes.
9. The language in the White Paper concerning plan making is also a matter of concern to professional planners, and also to the general public. **Being able to lead on making decisions about where development should go should not be a treat which government permits local planning authorities to enjoy providing they comply with certain conditions.** *Everybody* suffers (other than speculators) if there is no local plan. Planning is not simply about "control" over where new housing is built (A75): plans have wider purposes – or at least should have. These include how you produce the infrastructure-supported communities of the future. Housing permissions generated by appeal (by resource to the NPPF policy only) may contribute to headline numbers, but are they the product of good choices?
10. Our response now turns to the detailed content of the White Paper and the consultation questions.

## Chapter 1: The right homes in the right places

### Getting plans in place

#### Making sure every community has an up-to-date, sufficiently ambitious plan

11. The Government is correct to focus on the need for greater cooperation between local authorities. This has been a long standing difficulty. However the solution provided seems overly legalistic and process based, rather than addressing the key drivers. [Our suggestions published in 2015](#) (page 25 therein) concentrate on *making it worthwhile* to cooperate by linking central government spending on infrastructure and research to places which cooperate to provide effective plans for housing.

#### Making plans easier to produce

12. We support the return to the principles of the Local Development Framework system whereby a local planning authority is not under a policy expectation to produce a single local plan. There is a lot of scope for plans over wider areas being supplemented by plans at local level such as neighbourhood plans and area action plans (or other non-statutory plans).
13. Clarity on plans not duplicating each other (para A18) could arguably and usefully be extended to plans not needing to duplicate the NPPF.

#### Question 1

##### Do you agree with proposals to:

- a) **Make clear in National planning Policy Framework that the key strategic priorities that each local planning authority should maintain are those set out currently at paragraph 156 of the Framework, with an additional requirement to plan for the allocations needed to deliver the area's housing requirement.**
- b) **Use regulations to allow Spatial Development Strategies to allocate strategic sites where these strategies require unanimous agreement of the members of the combined authority?**

12. We repeat our concerns about the operational impact that frequent amendments to policy and legislation is having on planners' ability to plan and deliver. With regards to this proposal, it is reasonable that "mandatory" requirements comprise strategic priorities set out in p156 of the NPPF.
13. However, members have expressed concern about the resulting impact on the planned system in areas that become subject to mandatory spatial development strategies (SDS).
14. We support regulations that allow strategic sites to be allocated but more clarification is sought as to what process of scrutiny they would receive as well as other details, such as how would a planning authority indicate that it could deliver its 5 year housing land supply if there was no other plan setting out detailed land allocations? How could it further show that 10% of its allocated sites were 'small', as proposed in

the White Paper, when only strategic (large) sites appeared in the plan? Some of our members have pointed towards the Greater Manchester model as a good example to follow.

15. From an operational perspective, for areas where the operation of combined authorities is dependent on unanimous agreement, this could significantly stall the adoption of plans to address key strategic issues and make plans, in effect, more difficult to produce. There may well be areas where a local authority may want to take a different approach to a particular strategic issue whilst it is broadly in agreement with others.
16. It is not long since the Taylor Review was conducted on the premise that planning policy and guidance was too difficult to navigate, resulting in a more streamlined planning guidance (NPPG). The LDF system was designed so that, once the portfolio of plans were adopted, it would make it easier to amend and update policies within the plan without needing to review it as a whole. Our concern is that this proposal will reverse this trend at the local level. Therefore any changes to legislation and policy should consider these points carefully.

**c) Revise the National Planning Policy Framework to tighten the definition of what evidence is required to support a ‘sound plan’**

17. There is a little difference between the proposal in para. A.18 and the text in question 1(c). The paragraph refers to a move from “the” most appropriate strategy to “an” appropriate strategy. The text at question 1 c seems to be more broadly defined to refer to reducing the burden of evidence production more generally. That is also a worthwhile objective, but not quite the same.
18. Either way there are currently obligations under European law (as transcribed into Regulations) to evaluate options under Strategic Environmental Assessment. Any changes will need to be consistent with laws we currently are required to keep, and will be probably still be required under the Great Repeal Bill. And looking further ahead, whilst the specific mechanisms stipulated by the Directive may or may not be appropriate outside the EU, there is a more general question regarding demonstrating that plans have chosen the best options. If local people are to sign up to strategies for change in their areas which they may like particularly like, it is at least some comfort to know that a range of options have been evaluated, and the chosen option outweighs the others. This is how many other aspects of policy work, see for example the recent decision on the Lower Thames Crossing work.
19. In our statement in November 2016 on 16 Ways to Solve the Housing Crisis we recommended that Inspectors should be able to find plans “partially sound” – a suggestion which originated in our [joint statement](#) with the Planning Officers’ Society and the District Councils’ Network.

## **Question 2**

**What changes do you think would support more proportionate consultation and examination procedures for different types of plan and to ensure that different levels of plans together?**

20. While would agree that it is important that data requirements do not become overwhelming, there are wider purposes for the use of digital technology than simply making data more accessible. We are working with Future Cities Catapult on their Future Planning programme. This is looking at how digital technology can produce *better quality* data and also at how consultation can be made more effective in reaching a wider range of people than is often the case.
21. There could be an informal Inspector review of joint evidence and proposed housing numbers and distribution, and if necessary facilitated roundtables of neighbouring authorities during the preparation of SDSs or Local Plans with contentious boundary issues (as was being implemented for Integrated Regional Strategies, the successor of RSSs, in 2009). We also suggest there be more coordination between The Local Plan Viability Appraisal and CIL (LIT or SIT) to ensure that there all policies that impact viability are considered ‘in the round’.
22. We welcome emphasis on better cooperation by the introduction of the mandatory statement of common ground. However, our members do report that beyond issuing a statement this may do little to unlock stalled agreements. The procedure should allow for plans for authorities who are under bounded but want to proceed with what they can do, to be found sound.
23. More generally, our work on [Strategic Planning](#) has concluded that failure to cooperate can have at its source a lack of incentives for areas to cooperate. Such incentives could involve central government spending on infrastructure. It would be interesting to see if the various funds referred to in the White Paper could be operated to as to encourage cooperation.

## Assessing Housing Requirements

### Question 3

Do you agree with the proposals to:

- a) **Amend national policy so that local planning authorities are expected to have clear policies for addressing the housing requirements of groups with particular needs, such as older and disabled people?**
24. For this particular issue we would be happy to see changes proposed to the NPPF subject to adequate transitional arrangement although we are aware that most plans do this already without direction from national policy. It is important that such a policy is not confined only to older and disabled people and that it incorporates inclusive planning principles. The RTPI’s paper on [dementia and planning](#) could assist LPA in the formation of such policies.
- b) **From early 2018 use a standardised approach to assessing housing requirements as the baseline for five year housing supply calculations and monitoring housing delivery, in the absence of an up-to-date plan?**

25. There are some advantages in having a standard approach. However there is also a risk that it could become rigid. It would require a commitment to updates – but no sooner than say 10 years into the future so as to give continuity. There is also a risk that if the single process is subject to a successful legal challenge all would be lost. At present at least the multiplicity of approaches has a certain resilience.
26. We appreciate that a consultation on the methodology is awaited. We would stress that something of a departure from the current method based on forecasts of household numbers is needed. The current method in use since 1977 has a number of drawbacks:
- a. It produces huge amounts of data of questionable validity at great cost. Some SHMAs are over 200 pages long
  - b. It was never intended at its inception to be used for the purposes it is now being used for
  - c. The listing of data is rarely a logical basis for an argument for new supply
  - d. Use of waiting lists is useful to show the types of homes needed, but not the quantity
  - e. Price data can be very misleading. They only indicate demand at certain prices, i.e. “Price demand”, not “volume demand”.
  - f. There can be better signifiers such as vacancy and space/person
27. We were pleased to see recognition of the Plymouth Plan on p.76, a recipient of the RTPI award for Excellence in plan making. Care needs to be taken for geographical variance e.g. London has an overall OAN but borough supply targets are capacity-based (through a SHLAA) rather than OAN based (because OAN considered at strategic level). We consider whether standardisation might also be a good option for other evidence requirements such as employment needs and retail.

## Making Land Ownership more transparent

28. We have campaigned for the Land Registry to remain in the public sector and for data on ownership and options to be more available to the public and to plan makers. Land tenure data is important in understanding where land should be made available. It is not just of interest to sellers and purchasers.

## Land availability

### Bringing Brownfield Land back into use

29. We welcome the efforts such as the Home Building Fund being made by the Government to make the most of brownfield land. In our policy statement on [Housing the Nations](#) we made clear that a brownfield first policy will only work if the proper conditions are put in place.

30. We note the proposal to amend the NPPF so that “great weight should be attached to the value of using suitable brownfield land within settlements”. We are especially concerned to ensure that “within settlements” is firmly retained within this measure, as much brownfield land outside settlements is inaccessible and unsuitable for housing.

#### Question 4

**Do you agree with the proposals to amend the presumption in favour of sustainable development so that:**

- a) Authorities are expected to have a clear strategy for maximising the use of suitable land in their areas?**

31. In principle, yes. However, we question whether policy is the right way to approach this and would like further clarification of what would be considered a sound strategy. Is there, for example, an expectation that higher densities are expected? If so, how would this strategy be considered sound by an Inspector?

32. One difficulty is that brownfield land is not a fixed quantum. Its potential depends on the state of the finance including the state of markets and the level of public subsidy. The recent proposals to build over the A13 in East London are a case in point. Until these proposals were formulated, such a brownfield possibility was not likely to be incorporated into a plan.

- b) It makes clear that identified development needs should be accommodated unless there are strong reasons for not doing so set out in the NPPF?**

33. Yes – please see below

- c) The list of policies which the Government regards as providing reasons to restrict development is limited to those set out currently in footnote 9 of the National Planning Policy Framework (so these are no longer presented as examples), with the addition of Ancient Woodland and aged or veteran trees?**

34. We question the need for this for three reasons; the first is that the *for example* clause is strong enough to emphasise what *government* considers to be an acceptable restriction to development in cases where the presumption in favour applies, but allows a decision maker discretion to consider other matters too. Removing the clause suggests any material consideration not covered by a policy on the list should be given even less to no weight. In principle, the RTPI does not think a professional decision maker should be prevented from *considering* a development in relation to other issues, e.g. design, non-protected trees, highways, impact on neighbour amenity, even if the development plan is silent or policies are out of date. Emphasis should be focused on agreeing good standards of sustainable development, but discretion should not be taken further from the decision maker.

35. The second reason is that it also seems that, in interpreting the NPPF as it is intended (as is indicated by para 6 of the NPPF) the elements in footnote 9 would still be open to challenge by virtue of other paragraphs that apply, such as those stated at the end of para 118 and 133 of the NPPF, (e.g. “...unless it can be demonstrated

*that the substantial harm or loss is necessary to achieve substantial public benefits that outweigh that harm or loss...”). Therefore the “net gain” of this proposal would be minimal.*

36. Thirdly, by virtue of what is omitted from the list of policies in the footnote, we are concerned that this sends a contradictory message to the reader about the government’s view of *sustainable development*. For example, later in this consultation the government suggests in A.65 that neighbourhood plans should have policies that set out clear design expectations in neighbourhood plans. Notwithstanding that this proposal specifically relates to neighbourhood planning and not local plans, by omitting “poor design” as a reason in footnote 9, this suggests a contradictory message whereby government expects clear design expectations but is happy for them to be given less weight when the presumption in favour of sustainable development applies. By definition, any proposal given planning approval without regard to policies omitted from paragraph 9 would be unsustainable. On balance, in order to avoid a period of uncertainty as this minor but significant change is implemented, we suggest that it does not go forward.

37. A further consideration is that currently, and also as proposed in future, the NPPF seems to have no answer for the providing the shortfall which is brought about by the various exemptions which are made. For example if District “A” can claim various exemptions (especially due to the presence of green belt) whose responsibility is it to provide for this shortfall?

**d) Its considerations are re-ordered and numbered, the opening text is simplified and specific references to local plans are removed?**

38. We agree providing that policy is made clearer.

### Improving local authorities’ role in land assembly and disposal

39. We welcome the prospect of local authorities and other public bodies disposing of land at less than best consideration where this enables the delivery of new homes. The Housing White Paper (HWP) states that the housing market is ‘broken’ and calls for a step change in the way housing is delivered. Making the delivery of affordable homes rather than best consideration the primary consideration when disposing of all public sector land would be a significant step towards fixing the housing market. Doing this provides an opportunity to explore the link between policy made by the treasury and planning and housing policy, and to ensure that the two act in tandem rather than antagonistically.

40. Government departments and agencies should be required to dispose of their surplus land holdings in a way which takes account of the wider community value rather than maximising the capital receipt, and to do so with alacrity. Cross-departmental and border collaboration will allow neighbouring sites to be brought together to provide a large site which could be used for a large number of houses and necessary infrastructure.



41. Whilst these changes regarding disposal are beneficial, a more effective strategy would be to encourage local authorities to *hold onto* land which is going to be used for housing and other beneficial purposes. This would enable them to exercise powerful leverage to ensure the highest place making standards and also provide long term incomes and reduce dependence on government grants.

### Question 5

**Do you agree that regulations should be amended so that all local planning authorities are able to dispose of land with the benefit of planning consent which they have granted to themselves?**

42. This is a sensible suggestion with a number of benefits. As the consultation document points out this will make the process of carrying out development more efficient and cost effective. It would also allow the uplift in land value that occurs when planning permission is granted on a piece of land to flow to the local authority which, given the squeeze on local authority budgets, would be a welcome additional source of income.
43. We think the White Paper could go further in drawing attention to the potential of local authorities applying for permission on *land they do not own* as well. This is a large untapped area of activity, and one which was formerly more widely used when council planning departments were better funded and had “implementation” sections. The idea is that the council can obtain permission on underused land within its area which will make it much easier for developers to purchase it and bring it forward, and much easier for owners to sell it. Additionally it enables the community to have a strong influence in what kind of development is built, by the council exercising *leadership and initiative*.

### Question 6

**How could land pooling make a more effective contribution to assembling land, and what additional powers or capacity would allow local authorities to play a more active role in land assembly (such as where ‘ransom strips’ delay or prevent development)?**

44. As the consultation document points out the German model of land pooling (*Umliegung*) allows local authorities to collaborate with land owners in the assembly, servicing, and disposal of land and realise the benefit from the resultant uplift in land values.

*How*

45. As the 2013 RTPI Housing Policy Paper<sup>1</sup> points out the process starts with the municipality determining the area of the site for *Umliegung* and the rights and claims of all individual plots are added together. The land designated for streets and other public space is then appropriated from the total area. The remaining land area is then returned to the original landowners according to their share of either the original value or land area. If allocated by land value then the landowner has to pay the uplift in value - between the original land value and the new land value – to the municipality as public investment in infrastructure makes the land more valuable.

---

<sup>1</sup> See <http://www.rtpi.org.uk/media/630969/RTPI%20large%20scale%20housing%20report.pdf>

This means the municipality can recoup the costs of infrastructure. If the area of plots is allocated as the share (which only works well if the size of plots are similar) then the municipality retains up to 30% on greenfield land and 10 per cent on inner-city land.

46. In the Netherlands, the municipality would buy the land of a site at existing land value – often just a little above agricultural value as it tends to be land owned by farmers. It would then service the land by putting in infrastructure –social, transport etc. It then parcels the site into smaller plots and sells them to developers at a price that in total would cover on-site infrastructure costs, off-site infrastructure costs and plan making.

#### *Additional Powers*

47. In order to allow local authorities in England to play this more proactive role in land assembly The 1961 Land Compensation Act needs to be reformed.<sup>2</sup> As it currently stands, the legislation effectively ensures that the rewards from public investment flow to landowners instead of public authorities, thus preventing land pooling and assembly by local authorities.
48. The land compensation regime requires reform to allow land pooling and readjustment to take place, and to prevent public investment in infrastructure being siphoned off into ever-higher returns for landowners. This means amending the 1961 Land Compensation Act to allow local authorities to Compulsory Purchase land at existing use value, stripping out the hope value triggered by the prospect of public investment. This would allow authorities to capture the uplift in land values from infrastructure provision, making the infrastructure investment self-financing.

## A new generation of new communities

### Question 7

**Do you agree that national policy should be amended to encourage local planning authorities to consider the social and economic benefits of estate regeneration when preparing their plans and in decisions on applicants and use their planning powers to help deliver estate regeneration to a high standard?**

49. National policy should be requiring local authorities to consider social, economic and environmental benefits of *all* planning proposals. That is the definition of sustainable development. The inclusion of a national planning policy paragraph specifically for the regeneration of *estates* seems unnecessary unless the scope is to be widened to encourage opportunities for regeneration on a broader level.
50. We also warn of the use of language in a national document by identifying *estates* particularly as areas generally in need of regeneration, which may reinforce stigmas associated with estates as areas intrinsically linked to economic, environmental and social decline, reinforcing local perceived divisions in communities where this may not currently be the case in many areas of the country.

---

<sup>2</sup> See <http://progressive-capitalism.net/2016/06/bridging-the-infrastructure-gap/>

51. We suggest that the government carry on its programme of targeted estate regeneration where it feels necessary. Provide support in the form of directing expertise and possibly the £23 million housing and infrastructure funds for authorities to set up special purpose vehicles (SPVs) Joint asset backed vehicles to help assemble land, a suitable mix of housing and employment. However, it is not necessary to amend the NPPF for this.
52. For the record it should also be noted that “estates” are not always the lowest density parts of cities, and to focus increasing densities mainly on such areas might be regarded as discriminatory. Owing to the Right to Buy policy operating over several decades, former “council estates” contain many owner occupiers. In this respect then they have come to resemble other general kinds of housing areas where change requires compulsory purchase, The use of CPO for certain kinds of territory and not others would require a strong justification. There are other areas of the built environment that need similar interventions just as urgently in different areas of the country; suburban centres and the land around them, and town centres and peripheral settlements, redundant dockyards to name a few.

### Supporting small and medium sized sites and thriving rural communities

53. Whilst we are in agreement with the Government that there needs to be a much greater range of suppliers of homes, we think great caution should be exercised in making **too simple a connection between the size of sites permitted, and the size of the firm building on it.** There are plenty of ways of encouraging small building firms, which include breaking up large sites and also directly employing firms to build homes such as for councils (as is happening in many locations around the country now) or for the HCA or central government, as used to be more common in the post war period. There is no reason to equate the *construction* activity of a firm with its *development* activity. There is no reason for specifically favouring small firms when it comes to the activity of converting land without permission into land with permission.

#### Question 8

**Do you agree with the proposals to amend the National Planning Policy Framework to:**

- a) **highlight the opportunities that neighbourhood plans present for identifying and allocating small sites that are suitable for housing?;**

54. Yes

- b) **encourage local planning authorities to identify opportunities for villages to thrive, especially where this would support services and help meet the authority’s housing needs?;**

55. Yes

- c) **give stronger support for ‘rural exception’ sites – to make clear that these should be considered positively where they can contribute to meeting**

**identified local housing needs, even if this relies on an element of general market housing to ensure that homes are genuinely affordable for local people?**

56. We are supportive of rural exceptions sites but are not sure what “stronger support” might entail. Feedback from rural communities is that the right to buy from housing associations can deter land owners from making land available unless arrangements for affordability in perpetuity are secured.

**d) make clear that on top of the allowance made for windfall sites, at least 10% of sites allocated for residential development in local plans should be sites of half a hectare or less?;**

57. We assume that when this policy refers to “sites” it means “plots” (or equivalent in flats). Otherwise in a local plan with a small number of sites altogether 10% might mean very little.

58. We do not see how such a blanket national policy could work, or whether it is in fact the best way to achieve its stated objectives of diversifying the sector. There are other ways of encouraging the work of SME builders such as using them to build council housing, or to work under direct contract to the Homes and Communities Agency. It seems that the White Paper risks confusing providing work for SMEs with the role of SMEs in property development, which is quite a different issue. We are concerned that pursuit of this objective at the expense of other considerations such as ensuring sustainable locations and sufficient contributions to physical and social infrastructure? And why should it be on top of the allowance for windfall sites? Surely that would depend what size windfall sites tend to be in past trends.

59. Moreover it is not easy to see how this works with ( e ) below. Is it the intention that one way the 10% can be achieved is via the break-up of larger sites. This seems to make sense but it is not a matter within the control of local authorities. Furthermore we would like to see more information on how government has arrived at the 10% figure to ensure it is not arbitrary.

**e) expect local planning authorities to work with developers to encourage the sub-division of large sites?**

60. This is a worthy aim, but needs a great deal of unpacking. Firstly the issue is often with land owners who prefer to sell to single owners. (It is important not to place too great a reliance on planning departments to achieve wider aims.) Secondly what negotiating clout will be behind the “encouragement” ? Ultimately the threat of refusal? Thirdly the Government itself could do a great deal to assist this policy by setting a good example. Hitherto the HCA has been loath to break up sites in public ownership for the very reason given above, that for owners it is much easier to sell to a single purchaser. As a very significant land owner via especially the NHS and the MoD the Government should as a priority use its own ability to create small sites. This would seem to be the key way in which to achieve this objective.

**f) encourage greater use of Local Development Orders and area-wide design codes so that small sites may be brought forward for development more quickly?**

61. We support this but think further thought is needed regarding who exactly is doing this activity. A lot of this activity is highly labour intensive at a time when local planning departments are in a desperate state and have no resources to do discretionary activity. The issue here would be what is the Government going to do to encourage this? Will changing the wording of the NPPF achieve this?

## A new generation of new communities

### Question 9

#### **How could streamlined planning procedures support innovation and high-quality development in new garden towns and villages?**

62. In our view there is no need to make further changes to planning procedures in order to support innovation and high-quality development in new garden towns and villages. The dynamo behind the success of new large scale developments led by development corporations would be the power of the development corporation to purchase land at existing use value and capture the betterment for the benefit of the wider community. This clearly relates to question six above and our recommendation to give local authorities powers of land assembly and the accompanying ability to capture uplifts in land value for the benefit of the community.
63. Our members have been clear that constant tinkering with the planning system is inhibiting their ability to do their job, we would therefore urge government to focus on changes that can actually deliver the desired new towns and villages, rather than further attempts to 'streamline' planning.
64. Locally Led New Towns Development Corporations that have powers to acquire land at a fair price are crucial to this process, and we encourage government to consider the 1981 New Towns Act in this process. The basic architecture of the New Towns legislation remains in force and crucially it allows development corporations to compulsorily purchase land at current use value and capture the betterment for the benefit of the wider community. Alternatively Section 16 of the Neighbourhood Planning Act 2017 might be able to assist here.
65. This matter is now urgent as data from the NAO illustrates. In 2014/15 it is estimated that in 2014/15 land value uplift from gaining planning permission amounted to £12.38bn whilst 106/CIL receipts combined were £2.70bn less than a quarter.

## Green Belt land

### Question 10

#### **Do you agree with the proposals to amend the National Planning Policy Framework to make clear that:**

**a) authorities should amend Green Belt boundaries only when they can demonstrate that they have examined fully all other reasonable options for meeting their identified development requirements?**

66. The RTPI has consulted its members extensively on the issue of where new housing should go in England – an exercise which included the future of green belts. Our resulting policy is in our policy document [Where should we build new homes](#) published in November 2016. On the specific issue of green belts we concluded that “a brownfield first policy will fail to deliver its full potential if there is insufficient funding for the treatment and assembly of land. New proactive remedial programmes are needed to remove constraints on development and to make places where people want to live.” We note the White Paper makes reference to certain funding streams which can assist with this problem. We conclude local authorities will be taking the existence of such opportunities into account when assessing “all reasonable options” and we expect DCLG to be fully cooperative in making the necessary information available in a timely fashion to assist here.

67. Green belts are strategic tools for managing urban growth across city regions. We are concerned that this proposal appears to suggest that individual authorities might be making one-off changes to green belts in an uncoordinated way. This can lead to distorted outcomes where, for example, an underbounded city is forced to focus on green belt land within its boundaries, where in practice there may be more sustainable solutions in other parts of the green belt. The RTPI position is that “green belt boundaries may well need to change, but only through careful reviews over wider areas than single local authorities”. Green belts came into being as strategic tools, and this is how they should continue to be managed.

68. Our 2016 consultation stresses that in cases where land is removed from a green belt, “safeguards are put in place to ensure that development is sustainable, affordable and delivered in a timely manner.”

**b) where land is removed from the Green Belt, local policies should require compensatory improvements to the environmental quality or accessibility of remaining Green Belt land?**

69. We are not convinced this is the most overriding issue. It is time to move away from thinking about green belts in purely physical terms. Our policy states that it is time after 60 years to reconsider who green belts are for and about their social impact. We consider that releasing land from green belts but otherwise continuing its development according to pre-existing models of development would be unwise. Green belt boundary change is an excellent opportunity to look very carefully at whether the homes provided are meeting specific housing needs *as well as* whether there is an opportunity for environmental enhancement. The recent LSE study on the Metropolitan Green Belt has some good ideas.

**c) appropriate facilities for existing cemeteries should not to be regarded as ‘inappropriate development’ in the Green Belt?**

70. It would make sense to follow case law here.

**d) development brought forward under a Neighbourhood Development Order should not be regarded as inappropriate in the Green Belt, provided it preserves openness and does not conflict with the purposes of the Green Belt?**

71. Yes.

**e) where a local or strategic plan has demonstrated the need for Green Belt boundaries to be amended, the detailed boundary may be determined through a neighbourhood plan (or plans) for the area in question?**

72. Yes.

**f) when carrying out a Green Belt review, local planning authorities should look first at using any Green Belt land which has been previously developed and/or which surrounds transport hubs?**

73. The primary consideration when developing a piece of greenbelt land should be whether it is suitable for housing, i.e. is it close to (or stands a very high certainty of being made to be close to) employment, transport, green space, and other amenities. While it is likely that land which surrounds transport hubs will satisfy some of these criteria, it is not the case that all previously developed land is suitable for housing. Looking favourably at land surrounding transport hubs when conducting a Green Belt review reflects a strategic approach and maybe preferable to incremental release of pockets of land poorly performing against Green Belt objectives, but will require trade-offs to be made transparently. Moreover this policy seems inconsistent with earlier proposals in the White Paper to emphasis brownfield land “within settlements”. This appears to have the consequence that brownfield land outside settlements has less protection inside green belts than in the ordinary countryside.

74. And furthermore, the issue depends entirely on how transport hubs are defined. In [our response to previous proposals from DCLG](#) in this regard risked defining “hubs” as places “interchange” includes interchanging between public transport and walking, and where a “frequent” service is only “every 15 mintues in commuting hours”. If such a definition is to make its way into national policy it must be tightened up to mean “places where at least two high frequency (all day and evening) public transport routes cross, with at least one of these being heavy rail or light rail/metro”.

## **Question 11**

**Are there particular options for accommodating development that national policy should expect authorities to have explored fully before Green Belt boundaries are amended, in addition to the ones set out above?**

75. We cannot think of any.

## Strengthening Neighbourhood Planning and Design

### Question 12

Do you agree with the proposals to amend the National Policy Framework to:

**a) Indicate that local planning authorities should provide neighbourhood-planning groups with a housing requirement figure, where this is sought?**

76. We agree that it would be good for neighbourhood plans to have housing requirements but not that they should replace wider strategic allocations over the Local Planning Authority Area or Strategic Housing Market Area. We question whether policy is the most appropriate place for this (as opposed to guidance), particularly if the neighbourhood forum disagrees with the housing figure. There is also a question of the capacity of Local Authorities to come forward with local OANs for each neighbourhood plan in their area on top of other work required of them; from monitoring starts and completions, brownfield registers allocating Pip and persuading landowners and developers to take part in site allocation work. It might be a better approach for neighbourhood plans to commission their own OANs using the LPA as support.

77. The RTPI has been working with the Future Cities Catapult on allocating seed corn funding for digital planning. One project which has won funding is a proposal from HACT for a digital tool which will provide neighbourhood forums with all the statistics they need for any given polygon area. It is important to explore all avenues which do not place burdens on local planning department staff, whose numbers have been so seriously reduced in most places.

**b) Make clear that local plans (at the most appropriate level) and more detailed development plan documents (such as area plans) are expected to set out clear design expectations; and that visual tools such as design codes can help provide a clear basis for making decisions on development proposals?**

78. Design guides and design codes are helpful. However, paragraph 58 of the NPPF describes sufficiently what the expectations of a neighbourhood plan and local plans are in terms of place making and therefore design. It does not need to be explicitly stated in policy, how this should be achieved. Guidance, it would seem, would be a more appropriate mechanism to get this message across. By creating an *expectation* it could well have the unintended consequence of drawing out the adoption processes as the level of prescription of these expectations are debated. This proposal seems at odd with other proposals in this paper about streamlining and duplicating plans, particularly that question 1 suggests that plan making bodies should treat anything other than strategic matters as “optional” whilst in this question design policies are “expected”. There should be clarification on this position. For neighbourhood plans there is also a question about where the expertise will come from to provide the necessary training.



**c) Emphasise the importance of early pre application discussions between authorities and the local community about the design and types of homes to be provided?**

79. We consider this to be good practice advice, which should apply generally through guidance not policy. However, if it is to be included in policy we suggest encouraging the use of pre application advice is not limit to neighbourhood design but that it applies across all material considerations. There is also the issue of whether this advice should be charged for or not. If it is a requirement through policy then this may prevent authorities charging for the advice, which would in turn impact on resourcing.

**d) Makes clear that design should not be used as a valid reason to object to development where it accords with clear design expectations set out in statutory plan.**

80. In the absence of guidance of what these expectations should be, we consider this provision unnecessary. Adopted neighbourhood plans already comply with local plan policies. This proposal represents duplication of the Town and Country Planning Acts, which state that development should be made in accordance with the development plan (under which design policies would be a part) unless material considerations indicate otherwise.

**e) Recognise the value of using a widely accepted design standard such as Building For Life, in shaping and assessing basic design principles – and make clear that this should be reflected in plans and given weight in the planning process/**

81. Whilst we agree the value attributed to such guidance, we question whether it is necessary at all to be inserted into national planning policy. Design guidance is updated and introduced frequently, which will more than likely render any such policy that references a specific document, out of date, necessitating future amendments. Like many of these proposals in this question, we suggest that planning guidance be updated to reflect this rather than the NPPF.

### Question 13

**Do you agree with the proposals to amend national policy to make clear that plans and individual development proposals should:**

**a) Make more efficient use of land and avoid building homes at low densities where there is a shortage of land for meeting identified housing needs?**

82. We have commented on this issue in [our response to the consultation](#) on changes to national planning policy. We support the efficient use of land but question whether barriers to achieving this really rest with lack of policy. However, as is suggested in A.69 of the White Paper we do agree that practice guidance would be useful with the caveat that full consideration is given to previous attempts to introduce density guidance with reference to former PPG3 and PPS3 density guidance. Achieving the right balance between tangible guidance and guidance broad enough to be relevant to particular market demands in different areas of the country will be challenging. For example, avoiding low-density housing where there are shortages of housing land,

taking local stock characteristics into account. There are still areas in industrial England where it may be appropriate to attract high-quality suburban style family housing to attract professional, managerial, digital staff.

**b) Address the particular scope for higher-density housing in urban locations that are well served by public transport, that provide opportunities to replace low-density uses in areas of high housing demand, or which offer scope to extend buildings upwards in urban areas?**

83. We are in favour of building the right homes in the right locations (sustainable development), which would mean building at higher densities where appropriate. Whether further amendments to national policy are required is questionable as it seems that local plans do advocate this at the moment. Issuing further guidance as to how this could be achieved may be a better approach. Locations well served by public transport are also desirable for many other uses such as industry, transport and utilities. Whilst we recognise the prioritisation of housing, we also see the importance of retaining flexibility in these sites for other uses, particularly in light of events that may affect the employment market, such as the UK's withdrawal from the European Union.

**c) Ensure that in doing so the density and form of development reflect the character, accessibility and infrastructure capacity of an area, and the nature of local housing needs?**

84. As guidance we agree this is reasonable. However, it could be at odds with proposals a and b, in that the criteria outlined may not lend itself to high-density development. It may need to add a provision that the form should reflect these contexts *as far as practicable*.

**d) Take a flexible approach in adopting and applying policy guidance that could inhibit these objectives in particular circumstances, such as open space provision in areas with good access to facilities nearby?**

85. The NPPF already has a presumption in favour of sustainable development as the golden thread running through it. Members have understandably expressed concerns about the unintended consequences of an additional onus on being flexible towards higher density over other objectives. As well as open space, concerns over quality (such as building in noisy or polluted environments) are just examples. Stating that developments should be *flexible* in this regard will also have a detrimental operational effect as it potentially opens up most applications to challenge, resulting in uncertainty for applicants amongst others.

#### **Question 14**

**In what types of location would indicative minimum density standards be helpful, and what should those standards be?**

86. We suggest that writing such standards is approached with caution, given the unintended consequences of previous density standards in PPG3/PPS3. A range of standards rather than minimums would seem more appropriate. They should be written with an associated narrative of design quality.

## Question 15

**What are your views on the potential for delivering additional homes through more intensive use of existing public sector sites, or in urban locations more generally, and how this can best be supported through planning (using tools such as policy, local development orders, and permitted development rights)?**

87. There is a lot of potential to deliver more homes on public sector land as indicated in our response to question five. As a first step, the ability for local authorities and other public bodies to dispose of land at less than best consideration where this enables the delivery of new homes should be enshrined in national policy. Formulating this policy provides an opportunity to explore the link between policy made by the treasury and planning policy.
88. Public sites however provide an opportunity for a more thoughtful and long term approach than simply disposing of land. Public bodies – especially local authorities – should be exploring acting as patient investors and seeing land as something to hold onto long term, much as the great private estates in the West End of London have been doing for many generations. This means a greater investment in long term place making and provides potential for future revenue streams and less dependence on central government grant.
89. Once the principle of disposing of public sector land to deliver more homes is made national policy then questions of density will become relevant. We agree that it is reasonable to expect higher densities in certain types of location, and indicative standards can be useful, although they will not guarantee that building will align with these standards, as they are not prescriptive.
90. Furthermore, as the document intimates, density alone is not sufficient to deliver sustainable development. High quality density is needed, which includes amenities, public spaces, and infrastructure, and local planning authorities will need to play a key role in ensuring that this high quality density is delivered. It is not enough to release public sector land for housing; to maximise the benefits we will need to ensure the ensuing development is suitable by using all the tools available to the modern planner including masterplanning; and prescribing densities.
91. We would also like to urge caution around the idea of pursuing density at all costs. The narrative around this question, coupled with the proposal to review space standards risks producing low quality, small housing. The White Paper should be about meaningful interventions in the land market so as to ensure society is delivering sufficient, decent housing opportunities for all citizens.

## Proposals from Chapter 2: “Building homes faster”

### Certainty

92. Being able to lead on making decisions about where development should go should not be a treat which government permits local planning authorities to enjoy providing they comply with certain conditions. *Everybody* suffers (other than speculators) if there is no local plan. Planning is not simply about “control” over where new housing is built (A75): plans have wider purposes – or at least should have. These include how you produce the infrastructure-supported communities of the future. Housing permissions generated by appeal (by resource to the NPPF policy only) may contribute to headline numbers, but are they the product of good choices?

#### Q16 Do you agree that:

- a) **Where local planning authorities wish to agree their housing land supply for a one-year period, national policy should require those authorities to maintain a 10% buffer on their 5 year housing land supply?**
- b) **The Planning Inspectorate should consider and agree an authority’s assessment of its housing supply for the purpose of this policy?**
- c) **If so, should the Inspectorate’s consideration focus on whether the approach pursued by the authority in establishing the land supply position is robust, or should the Inspectorate make an assessment of the supply figure.**

93. We agree with proposals a,b,c and d, providing the annual review is optional. There is a question of whether the Planning Inspectorate will also have the capacity to deal with an increase in flexibility of annual reviews. We believe that the Inspectorate should just judge the approach rather than an assessment of the supply figure.

#### Q17 In taking forward the protection for neighbourhood plans as set out in the written Ministerial Statement of 12 December 2016 into the revised NPPF, do you agree that it should include the following amendments;

- a) **A requirement for the neighbourhood plan to meet its share of local housing need?**
- b) **That subject to the local authority being able to demonstrate through the housing delivery test that, from 2020, delivery has been over 65% (25% in 2018; 45% in 2019) for the wider authority area?**
- c) **Should it remain a requirement to have site allocations in the plan or should the protection apply as long as housing supply policies will meet their share of local housing need?**

94. Whilst the weight afforded to Written Ministerial Statements has been established in the courts as being at the discretion of the decision maker, we do not object to these proposals. The requirement to have site allocations in the plan should remain.

### Boosting local authority capacity and capability to deliver

95. The RTPI has strongly campaigned for more resources to be given to local authority planning departments and welcomes the Government's plans to allow local authorities to raise fees for planning applications up by 20% to be reinvested in LPAs. However we are concerned that these measures may not be sufficient to mitigate for years of under investment and resources need to be made available to enable the LPAs to cope with the demands the new Government policies outlined today will place on them. We are especially concerned that requiring local authorities to move cash *into* planning from other stretched services in order to access the higher fees in an overall environment of falling cash budgets (as a result of central government policy on local government finance) could mean there is limited uptake and therefore limited impact.
96. For example one authority which must remain nameless indicates that its planning budget for the next three years due to central government grant cuts will be cut by £220,000 in 2017-18, by £440,000 in 2018-19 and by £660,000 in 2019-20 (all relative to 2017-17). Yet, as DCLG seems to desire, actually this would mean the authority *increasing* the proportion of local government "subsidy" funding going into planning as compared to other services.
97. A 20% increase in planning fees would raise £240,000 in each year, so by the third year its impact would be quite limited in terms of "increasing capacity" even if it was allowed to claim the 20%.
98. This proposal seems to have been devised with little cross reference to the severe context of central government finance policy for local government, and is also not consistent with the approach being taken to fee increases for Development Consent Order applications under the Planning Act 2008.

### "Deterring" Appeals

#### Question 18

**What are your views on the merits of introducing a fee for making a planning appeal? We would welcome views on:**

- a) **How the fee could be designed in such a way that it did not discourage developers particularly smaller and medium sized firms, from bringing forward legitimate appeals;**
- b) **The level of the fee and whether it could be refunded in certain circumstances, such as when an appeal is successful; and**

**c) Whether there could be lower fees for less complex cases**

99. We consider that introducing a fee for appeals is an acceptable measure, but the messaging around this could be very much improved, and a lot rides on the size of the fees. There is a need to increase resources to the Planning Inspectorate. Our members are very concerned at the poor performance on handling appeals which may well be due to insufficient staff resources. Fees should be introduced, but on exactly the same terms as central government is imposing on local authorities – namely that grant to PINS is not reduced in consequence.
100. We also question the use of the term “legitimate appeals”. We believe all appeals are legitimate so long as they are made in time. We are not aware of any evidence that there is a significant number of “unnecessary” appeals. The costs regime was introduced to tackle this very problem as well deterring Authorities from making frivolous decisions. If the costs regime is not being used as it should be then it would seem more appropriate address this issue as it would have the added benefit of addressing other perceived problem areas, such as conditions.
101. We do not agree with returning the fee to successful appellants. This proposal only makes sense if the fee proposition is tied in with the notion of “unnecessary” appeals which is a narrative we would strongly recommend the Government to drop at the earliest opportunity.

## Ensuring infrastructure in the right place at the right time

102. We cannot welcome highly enough the recognition that over long decades central government has failed to enable the coordination of housing and infrastructure, leading not only to increasingly dysfunctional towns and cities but also increasingly antagonistic residents. We welcome the existence of the Housing Infrastructure Fund and the decision to target this at areas of greatest housing need.

## Digital Infrastructure

### Question 19

**Do you agree with the proposal to amend national policy so that local planning authorities are expected to have planning policies setting out how high quality digital infrastructure will be delivered in their area, and accessible from a range of providers?**

103. While we acknowledge that the digital economy is the highest growth sector in the economy, and support planning’s role in facilitating the growth of this sector,<sup>3</sup> given current resource constraints we are concerned at the prospect of placing additional burdens on local planning authorities as this question suggests. Furthermore, we do not believe that it is the role of local planning authorities to ensure that digital

---

<sup>3</sup> See <http://www.rtpi.org.uk/media/1697226/Planning%20and%20tech%20final%20-%202016.2.15.pdf>

infrastructure will be delivered by a range of providers. Whether or not a provider will be interested in working in a particular area is a matter for the company in question, not the local planning authority.

## National Infrastructure

### Question 20

**Do you agree with the proposals to amend national policy so that:**

- **the status of endorsed recommendations of the National Infrastructure Commission is made clear?**
104. The government has stated that recommendations made by the NIC, that the government agrees should be taken forward, will become known as ‘endorsed recommendations’. Where the government is responsible for delivering endorsed recommendations, this endorsement will be a statement of government policy, and where these have wider implications for the planning regimes, the government will highlight further steps needed to confirm the endorsed recommendation as planning policy.
105. We agree that the NPPF should be amended to make the status of endorsed recommendations clear. This will require the government to clarify whether endorsed recommendations will be subject to Strategic Environmental Assessment and public consultation in order to become policy, and how they interact with National Policy Statements.
- **authorities are expected to identify the additional development opportunities which strategic infrastructure improvements offer for making additional land available for housing?**
106. We agree that local planning authorities should identify additional development opportunities from new infrastructure when funding is committed and when they review plans. Strategic infrastructure improvements will have impacts across local authority boundaries, and so this will be best achieved at the scale of a Combined Authority, city-region or county-region. It should also be recognised that LPAs will already do this, as calls for strategic infrastructure investment normally originate from the local and sub-regional level.
107. However, it should be noted that this approach falls short of what is needed to ensure a better coordination between infrastructure and development. In responding to the consultations issued by the National Infrastructure Commission, we argued that decisions on strategic infrastructure should be based on the amount of developable land that can be unlocked in sustainable locations, rather than on existing patterns of infrastructure need. The approach set out in the Housing White Paper, where LPAs identify development opportunities once infrastructure has been committed, misses the opportunity to take a more dynamic approach to determining infrastructure investment and creates the risk that infrastructure investment will reinforce regional imbalances.

108. We would agree that the maximum benefit should be gained from Government investment in national infrastructure. It would seem however rather too late to “identify opportunities at the time funding is committed”. Such local opportunities should surely be part of the business case *for* national infrastructure *and some of the means through which it will be funded*. This is already being explored to a certain extent in the case of Crossrail 2, but it seems that exploitation of role of especially housing development in funding HS2 is severely limited.
109. We are encouraged that the Government will review what more could be done to ensure that utilities planning and delivery keeps pace with development. We think the Government should be much more clear about how it intends to undertake such a review and how those such as planning professionals can input their expertise into the process. Given the very slow processes of change of regulation, in our view this should be commenced immediately and with a proper timetable.
110. Over at least 15 years the planning profession has had to grapple with issues around utility investment. As a starting point we would call the Government’s attention to two key barriers:
  - a. The imposition of 5 and 7 year price review programmes over the entire country which have no relation to local plan programmes
  - b. The current refusal of Regulators to allow any investment in proposals which do not have planning permission to be counted within pricing agreements
111. These conditions, which were originally intended to drive down prices to consumers at all costs, seem to us to be outdated in the current world of severe housing inequality. They place high burdens on the occupants of new homes, on developers, and lead to long delays while responsibility for upstream investment in reinforcing infrastructure is argued through. On occasion even central Government grant has been used to make payments direct to utility companies to undertake work such as new substations that they should be doing anyway, which they then get to own and from which they can draw future revenue.

## Supporting developers to build out more quickly

### Simplifying developer contributions

112. We do not necessarily agree that it is practical to rely on “developers” alone to “mitigate the impacts of development in their areas [paying] for the cumulative impacts of development on the infrastructure of their areas.” The problem is that in large parts of the country the value of housing is simply too low to enable the proper funding of infrastructure. By taking the necessary account of viability, to require developers to undertake full mitigation would mean little building would happen. CIL was never intended to fully pay for infrastructure, but to be planned in such a way as to be integrated with mainstream funding of schools, roads, health and public transport. One of the reasons that developer contributions are not “simple” is that this is a contested and uncertain area, and the clamp down on central government capital



investment makes it even more so. We look forward to the Government's proposals in the autumn.

## Holding developers and LPAs to account

### Greater transparency through the planning and build out phases

#### Question 21

Do you agree that:

- a) **the planning application form should be amended to include a request for the estimated start date and build out rate for proposals for housing?**

113. Extra data is not a bad thing per se. It should be designed to be able to link with CIL Commencement Notices for monitoring purposes to avoid the duplication of work. However on the one hand such information should already be available through the production of housing trajectories and Strategic Housing Land Availability Assessments. If the form merely includes a "request" for this information it is difficult to see how this is an improvement on the current situation. Moreover information fixe on the form is likely to get out of date rapidly. There is absolutely no substitute for a properly funded monitoring section within planning departments which elicits this information by regular contact with developers. Such activity was at least at one time found in the best authorities.

- b) **that developers should be required to provide local authorities with basic information (in terms of actual and projected build out) on progress in delivering the permitted number of homes, after planning permission has been granted?**

- c) **the basic information (above) should be published as part of Authority Monitoring Reports**

- d) **that large housebuilders should be required to provide aggregate information on build out rates?**

114. We welcome greater transparency on this issue as the debate on buildout rates not always been grounded in data. The danger is to react to the debate with policies which have not had the benefit of careful analysis, so we welcome government's intention to collect data as a first step to addressing this issue.

### Sharpening local authority tools to speed up the building of homes

#### Question 22

**Do you agree that the realistic prospect that housing will be built on a site should be taken into account in the determination of planning applications for housing on sites**

### **where there is evidence of non-implementation of earlier permissions for housing development?**

115. This question points to a debate which in our view would benefit from more data being made available. The reasons for non-implementation of earlier permissions would need to be made very clear so that steps to remediate sites for instance could be taken. It would also be useful for developers to explain why earlier permissions have not been implemented so that apart from LAs being proactive in de-risking sites as above, developers could also help by being transparent about why permissions have not been implemented. If this information could be made available then steps could be taken to address non-implementation by developers as well as local authorities.
116. We are currently commissioning research, which examines the level of flexibility that exists in developers' financial models, and whether a **reduction of planning risk led by proactive initiatives on the part of local authorities** would lead to a willingness to accept a profit margin of lower than 20% on some sites would lead to an increase in housing supply. This could be facilitated by LAs granting planning permission on sites that they allocate for housing and/or derisking sites through the front funding of infrastructure.
117. However throughout this discussion it is important to recognise that attaching too much significance to planning *permissions* missing the point. Whilst this is an issue which can easily be *measured*, the real issue is whether *sites* are held up – by owners not releasing them and holding out for excessive values, by local authorities not yet granting permission, by infrastructure providers not supporting development or by builders building slowly. Not all of these barriers can be measured by looking at planning permissions alone. And too much focus on permissions might be a deterrent to applicants making applications in the first place.

### **Question 23**

**We would welcome views on whether an applicant's track record of delivering previous, similar housing schemes should be taken into account by local authorities when determining planning applications for housing development.**

118. We are concerned at the extra workload this could create for applicants and councils in assessing build out rates. Many applicants will have complex / multiple company structures and a standard methodology of assessing build out rates will be very difficult, especially for large multi-phased sites. In addition, it is unlikely that a council would refuse planning permission (and defending the refusal at appeal) based on track record of applicant. Effectively there is a question now created in planning law of "who is the company?". We could envisage ways in which new companies could be created to get round this policy such that the proviso in Question 24 is meaningless. Again is this actually getting at the real drivers here?

### **Question 24**

**If this proposal were taken forward, do you agree that the track record of an applicant should only be taken into account when considering proposals for large scale sites, so as not to deter new entrants to the market?**

119. Yes, if anything, this should be restricted to large sites and not everything. Either way we are generally opposed to this proposal.

## Completion Notice

### Question 25

**What are your views on whether local authorities should be encouraged to shorten the timescales for developers to implement a permission for housing development from three years to two years, except where a shorter timescale could hinder the viability or deliverability of a scheme? We would particularly welcome views on what such a change would mean for SME developers**

120. It could be argued that shortening the timescale in this way would hinder the viability of any scheme. In reality, this will not always be the case, but given the viability 'qualifier' in the proposal this line of argument will always be available to developers and therefore this proposal runs the risk of simply perpetuating the status quo.
121. In order for such a proposal to be effective there would need to be more transparency around the viability calculations of developers than is currently the case and, as above, a willingness on behalf of developers to examine whether there is flexibility on their proposed profit margin on a given scheme.
122. It is worth mentioning in this context the issue of the land market and the perverse incentives it creates for developers and the impact it has on viability. Among the most problematic of these institutional factors are unrealistic expectations by owners of what their land is worth. Relatedly, some land owners may also have unrealistic expectations over the value of their land, inhibiting otherwise viable development coming forward. Paradoxically, economic upturns can exacerbate this, by encouraging an even greater sense of unreality among owners and developers about what returns are achievable.

### Question 26

**Do you agree with the proposals to amend legislation to simplify and speed up the process of serving a completion notice by removing the requirement for the Secretary of State to confirm a completion notice before it can take effect?**

123. The current process for completion processes is long and arduous so given resources constraints at the LPA level a simplification of this process is welcome.
124. The ability of an LPA to issue a completion notice has existed for years but is a very rarely used power. Simplifying the process should ideally give LPAs the confidence to use this power as a stick to discourage the stalling of development.
125. However, the history of completion notices to date is relevant here and they do not always succeed in speeding up development, particularly in cases where the developer has encountered a fundamental obstacle in funding. In such a case if development has stalled, the developer is already having pretty fundamental

problems. The threat of a completion notice is not going to lead to a developer finding significant amount of money to overcome those problems.

126. Furthermore, completion notices actually withdraw planning permission rather than force completion. This is the opposite of what the Housing White Paper sets out to achieve. We would also question why a Council would withdraw planning permission if they need to show a decent supply as per 5-year supply / housing delivery test? This measure does not seem to join up with the stated goals of the Housing White Paper.

### **Question 27**

**What are your views on whether we should allow local authorities to serve a completion notice on a site before the commencement deadline has elapsed, but only where works have begun? What impact do you think this will have on lenders' willingness to lend to developers?**

127. It would potentially have a negative impact on lenders' willingness, as there would be no certainty for a lender that if the borrower developer defaults on its loan the lender will have time to step in and secure the completion of the development under the same permission – or work through another solution with the borrower. The underpinning certainty of the permission is lost. If relatively minor works do not suffice to keep the permission alive, banks may consider the risk profile vis a vis particular authorities very carefully.
128. We would suggest that more could also be achieved in this context with planning obligations and conditions, as opposed to just focusing on completion notices.

## **Housing delivery test**

### **Question 28**

**Do you agree that for the purposes of introducing a housing delivery test, national guidance should make clear that:**

- a) The baseline for assessing housing delivery should be a local planning authority's annual housing requirement where this is set out in an up-to-date-plan?**
- b) The baseline where no local plan is in place should be the published household projections until 2018/19, with the new standard methodology for assessing housing requirements providing the baseline thereafter?**
- c) Net annual housing additions should be used to measure housing delivery?**
- d) Delivery will be assessed over a rolling three year period, starting with 2014/15-2016/17**

129. We have previously questioned the principle of imposing a housing delivery test for local authorities given the limited real influence they have for delivery (unless they are building it themselves) in our [response to the consultation on changes to National Planning Policy](#) (see question 11 p 7).
130. With the measures proposed as suggested, Councils might not set any targets in excess of the bare minimum (OAN) because failure to meet the test will result in heavy penalisation. This is why there should be a more holistic approach to assessing housing delivery. In addition to net additions (C) should be other key factors including the number of households and the demonstrate desire of local authorities to boost housing supply.
131. The use of the annual housing requirement needs to be qualified by taking into account housing trajectories. In some places and for very good reasons annual completion rates in earlier parts of the plan period are different from rates in later parts. The test should be aligned with the trajectory as agreed when the plan was adopted.

#### Question 29

**Do you agree that the consequences for under delivery should be:**

- a) From November 2017, an expectation that local planning authorities prepare an action plan where delivery falls below 95% of the authority's annual housing requirement?;**
  - b) From November 2017, a 20% buffer on top of the requirement to maintain a five year housing land supply where delivery falls below 85%?;**
  - c) From November 2018, application of the presumption in favour of sustainable development where delivery falls below 25%?;**
  - d) From November 2019, application of the presumption in favour of sustainable development where delivery falls below 45%?; and**
  - e) From November 2020, application of the presumption in favour of sustainable development where delivery falls below 65%?**
132. It would be helpful for a threshold to be set beyond which an authority should produce an action plan. We can see how this would incentivise collaboration with the development community. However, the threshold for doing so (95%) does seem high. Again, as a "severe consequence", setting a buffer would be a significant stick but question whether 85% is too high and also whether a flat 20% across the board would be appropriate in different areas of the country. These two consequences are acceptable but we do not agree with applying the presumption for the other.
133. We do not agree with using the *presumption in favour* as a consequence of under delivery: the associated legal challenges and appeals, attempting to define what exactly is meant by the *presumption in favour* clause in paragraph 49 of the NPPF, have been hugely resource intensive for both local authorities and developers and the uncertainty it has created is an example of frequent changes to the planning

system that are hampering planners' abilities to carry out their jobs effectively<sup>4</sup>. Applying this as a consequence for perceived under-delivery could have some very severe consequences in terms of delaying delivery for all parties.

134. We do not know how much research has been done to inform the percentages suggested. It may be more appropriate and within authorities' control if tests were based on planning permissions granted.

### Question 30

#### **What tools would be most helpful to local planning authorities in increasing housing delivery in their areas?**

135. Greater encouragement should be given to the formerly widespread practice of local authorities applying themselves for permission on land mainly (or entirely) owned by others as a means to both ensure that planning permissions are coming forward in the right places, and the permission process is speeded up. This would have a particular value in the case brownfield land whose owners may not have considered that it could be used in a more efficient manner (e.g. retail warehouses). It would also be useful for urban extensions.
136. We consider the Government should address rules that restrict the market for consultancy support and developers to those on restricted pre-procured panels or frameworks. This would enable public sector land to be brought forward by a range of new 'disrupters' and actors in the market.

## Chapter Three: Diversifying the Market

### New players

#### SME Builders

137. We welcome the Home Building Fund and the recognition that diversifying the market is an issue which requires action on a broad front. We note the work the Government is doing with the British Business Bank, but would suggest that a new policy to encourage regional banks would be a particularly good way of recycling local savings and encouraging local economic growth.
138. We welcome the work the Government is doing to support custom building. The RTPI is on the board of the Right to Build Taskforce which will help Local Authorities, community groups and other organisations across the UK deliver large, affordable custom and self-build housing projects. The Task Force aims to help at least 80 organisations create significantly more affordable homes over the next three years. To help ensure other projects benefit, the lessons learned will be shared through regional events and case studies within the [Right to Build Portal](#).

---

<sup>4</sup> [http://www.rtpi.org.uk/media/1916022/rtpi\\_research\\_briefing\\_-\\_delivering\\_the\\_value\\_of\\_planning\\_20\\_august\\_2016.pdf](http://www.rtpi.org.uk/media/1916022/rtpi_research_briefing_-_delivering_the_value_of_planning_20_august_2016.pdf)

139. We note the Government intends to continue with exemption from CIL for “self build” for the time being. We stress that a clear policy on the role of viability must be found. CIL cannot mitigate all the impacts of development, especially not if there continue to be exceptions from it.

## Contribution from other parts of the market

### Private Rent

140. Our comments on Private Renting will be found in the relevant response. However again the issue of the role of CIL needs to be taken very seriously. All forms of housing place burdens on infrastructure. Providing infrastructure not a luxury which can be withdrawn in order to meet other policy objectives.

### Housing Associations

141. We are pleased to see that the position regarding rents in the social sector will be very carefully thought through in future. The current policy has a serious impact on housing completions and shows how important it is that the Government’s housing priorities are accepted and implemented by ALL departments.

### Council Building

142. The paragraphs on local authorities (3.27 – 3.34) are some of the most encouraging and enterprising of the White Paper. We note the Government will be working “to understand all the options”. The RTPI and the National Planning Forum are [currently funding a project](#) to assess all the different mechanisms that councils are using to build more homes. We would be very happy to share emerging findings with DCLG.

## Boosting productivity and Innovation

143. We have said in our response to the Industrial Strategy Green Paper that modern methods of construction could form part of a mission-oriented industrial policy whose purpose is to “build a million homes”. By supporting innovation in housing as a key plank in the government’s Industrial Strategy not only would outcomes at home be improved as people get the homes they need, but Britain’s economic role abroad could be enhanced. The key issue is that this mission needs to be embraced by both BEIS and DCLG.

## Chapter Four: Helping people now

### Helping people afford a home

144. Government has been at risk in the recent past of not only concentrating on a single tenure, but also of stoking housing demand, which is already exacerbated by a very favourable tax position and the lack of good alternative investments for people's savings. While some of the measures, such as the Lifetime ISA, continue to distort investment by making housing more attractive than *productive* investment, we recognise that many of the measures do attempt to target certain groups most in need.

### Improving neighbourhoods etc

145. Proposals to address communities heavily affected by second homes (Community Housing Fund) look promising, providing that they do not simply exacerbate demand but address dedicated supply.

### Housing for our future population

146. The RTPI has been working with the Alzheimer's Society on working out how urban planning can best help people with dementia. [Our practice note](#) was published on January 2017.
147. Issues around older people moving out of the family home are very complicated. Many people are very content to stay there, and recent changes to Inheritance Tax (IHT) will provide a greater incentive to do so. Treating property differently from other assets has been one of the long-term drivers behind excessive demand for property in the UK and this IHT measure (which is not mentioned in the White Paper) suggests the Government's departments are pulling in different directions here.
148. One possible way in which downsizing (or preferably "right sizing") can be assisted is to provide more opportunities for homes close to existing social networks for older people. The unplanned suburban sprawl which characterised much of interwar development in England has led to a concentration of single family homes of three or four bedrooms across large areas. The proposals of HTA Architects for "[Supurbia](#)" and of Powell Thomas Edwards for [Semi-Permissive](#) could provide additional small homes in these locations. The key is to find ways to make infill acceptable to local people. There is a role for technology here.



## Consultation Issues within the Appendix Only

### Affordable Housing

#### Question 31

Do you agree with our proposals to:

- a) amend national policy to revise the definition of affordable housing as set out in Box 4?;
- b) introduce an income cap for starter homes?;
- c) incorporate a definition of affordable private rent housing?;
- d) allow for a transitional period that aligns with other proposals in the White Paper (April 2018)?

149. The definition of affordable private rent needs to be changed to be related to *incomes* not market rents. We doubt whether those who fit the income eligibility bracket would be able to afford 80% of market rents, particularly in high demand areas such as London. The other changes in Box 4 are acceptable and we welcome the increased flexibility in the definition of starter homes. Our detailed comments on build to rent have been submitted separately.

#### Question 32

Do you agree that:

- a) national planning policy should expect local planning authorities to seek a minimum of 10% of all homes on individual sites for affordable home ownership products?

150. The problem with this proposal is that it does only a limited amount to correct the overemphasis on home ownership that was associated with the Starter Home Policy. Granted it widens slightly out from focus on a single product, but in areas of low values there is a risk this standard nationally imposed percentage will rule out the provision of any affordable homes which are *not* for ownership or market rent.

151. We believe that the minimum threshold for affordable homes on individual sites should be set locally. While a minimum threshold of 10% is low in our view, it may prevent some schemes proceeding with no affordable housing as has been seen recently in Westminster.

152. Even if this ends up in the NPPF, the NPPF is simply a material consideration and the Development Plan (with all its local viability evidence supporting housing tenure percentages) will surely override it, or at least lead to much confusion (e.g. Vacant Building Credit / Small Sites S106 Exemption). A national policy/guidance requirement to consider affordable home ownership in SHMAs and viability evidence in setting Local Plan targets is a much better way of implementing this. In high-value areas such as parts of London, affordable home ownership will not stack up and LAs

will not be able to meet 10%. Some of these areas are looking at more rent-to-buy products instead.

153. Also, although it is obvious that affordable home ownership refers to shared ownership, shared equity, DMS and starter homes, the white paper doesn't actually define it anywhere – it will be quite important for the NPPF to define it if there is to be a 10% national target. This could be incorporated into the new definition of affordable housing (above).

**b) that this policy should only apply to developments of over 10 units or 0.5ha?**

154. Again this should be decided locally as there are some high value areas like London where developments of under 10 units would still be viable with some affordable housing. It should be down to Councils to set a local threshold. The Small Sites S106 Exemption has already been overridden in a number of London authorities through their Local Plan and it will be the same for this, so why create confusion? High-value areas in London can very often justify a much lower threshold.

**Question 33**

**Should any particular types of residential development be excluded from this policy?**

155. We do not think any should.

## **Sustainable Development and Environment**

**Question 34**

**Do you agree with the proposals to amend national policy to make clear that the reference to the three dimensions of sustainable development, together with the core planning principles and policies at paragraphs 18-219 of the National Planning Policy Framework, together constitute the Government's view of what sustainable development means for the planning system in England?**

156. We agree with this

**Question 35**

**Do you agree with the proposals to amend national policy to:**

**a) Amend the list of climate change factors to be considered during plan-making, to include reference to rising temperatures?**

157. This is a sensible proposal. However, there is no statutory body which LPAs can turn to for advice and guidance on rising temperatures, unlike with flood risk which is dealt with by the Environment Agency. This could be accompanied by planning practice guidance on how to meet emissions reductions

**b) Make clear that local planning policies should support measures for the future resilience of communities and infrastructure to climate change?**

158. We agree with this proposal. National Planning Policy Guidance will need to be clear on the standards of resilience which should be achieved.
159. As a further point, the Housing White Paper contains very little on the need to reduce greenhouse gas emissions from residential buildings, which account for 13% of total UK emissions. Paragraph 1.50 of the White Paper states that significant improvements have been made to the quality of new build homes since the 1990s which have helped keep bills low and cut carbon emissions. It does recognise that more needs to be done, and notes the costs and inconvenience for consumers who have to retrofit their home at a later date. However, the only action proposed is for the government to consult on improving energy performance requirements on new homes during Parliament “...if evidence suggests that there are opportunities to do so without making homes less affordable for those who want to buy their own home”, and defers any further details to the much delayed Clean Growth Plan (formerly the Emissions Reduction Plan).
160. This approach fails to address the challenges of decarbonising the residential buildings sector. The 2008 Climate Change Act places a legal requirement on government to reduce emissions by 80% by 2050 relative to 1990 levels, with an interim target of 57% by 2030, while meeting the ambition of the Paris Agreement to limit warming to 1.5°C would entail making even deeper reductions. Both of these targets would require the entire building sector to emit close to net zero emissions by 2050<sup>5</sup>.
161. The Committee on Climate Change (CCC) has warned that the government lacks the policies needed to drive the necessary emissions savings in residential buildings, and has even taken steps backward by reducing funding for energy efficiency, cancelling the zero carbon homes standard, and failing to develop an action plan for low-carbon heat and energy efficiency<sup>6</sup>. Without a framework in place to drive high standards of energy performance in new buildings, there is a serious risk that homes built today will simply add to the significant costs and challenges of retrofitting in the future.
162. Research from the Association for the Conservation of Energy also shows that the UK has some of the highest rates of fuel poverty and energy inefficient housing in Europe<sup>7</sup>. However, the White Paper seems to view energy efficiency measures as something which simply adds to the cost of new housing for buyers. This ignores the fact energy efficiency measures contribute relatively little to house prices, and that these costs are offset by the long-term savings that accrue to occupants from reduced energy bills and improved health. For example, the GLA has maintained a zero carbon homes policy which is expected to add 1-1.6% to the build cost of new homes, and which is offset by energy cost savings and the significant reductions in costs for renewable energy like solar PV<sup>8</sup>. It also fails to account for the wider

---

<sup>5</sup> <https://www.theccc.org.uk/wp-content/uploads/2016/06/2016-CCC-Progress-Report.pdf>

<sup>6</sup> <https://www.theccc.org.uk/wp-content/uploads/2016/06/2016-CCC-Progress-Report.pdf>

<sup>7</sup> <http://www.energybillrevolution.org/wp-content/uploads/2015/10/ACE-and-EBR-briefing-2015-10-Cold-man-of-Europe-update.pdf>

<sup>8</sup> <https://www.theccc.org.uk/wp-content/uploads/2016/06/2016-CCC-Progress-Report.pdf>

societal costs of failing to decarbonise the building sector, in terms of the externalities of climate change.

## Flood Risk

### Question 36

**Do you agree with these proposals to clarify flood risk policy in the National Planning Policy Framework?**

163. We agree with these proposals. LPAs which are under pressure to increase housing supply must have the support of clear policy to restrict inappropriate development in areas of flood risk.

## Noise

### Question 37

**Do you agree with the proposal to amend national policy to emphasise that planning policies and decisions should take account of existing businesses when locating new development nearby and, where necessary, to mitigate the impact of noise and other potential nuisances arising from existing development?**

164. Planning policies should take into account existing business and residents when locating new development and we believe that most do currently do this. A national policy emphasising the importance of considering the impact of proposals on the amenity of existing neighbours, whether residential or commercial would seem more appropriate at this level.

## Wind

### Question 38.

**Do you agree that in incorporating the Written Ministerial Statement on wind energy development into paragraph 98 of the National Planning Policy Framework, no transition period should be included?**

165. Notwithstanding that written ministerial statements can be considered policy without being in the NPPF, we do not disagree with incorporating this revised policy into the NPPF. However, this proposal is not relevant to housing and it is unclear why it has been included in the White Paper. We do not have an opinion as to the need for a transition period.



**RTPI**

mediation of space · making of place

166. We would welcome practical guidance on implementing this revised policy, as stated in paragraph A.143. Clarity is needed to show how this policy is consistent with the presumption in favour of sustainable development and requirements for LPAs to promote renewable energy and support radical reductions in greenhouse gas emissions. A failure to resolve potential conflicts may see decisions held up at public enquiry