# Proposed reforms to the National Planning Policy Framework and other changes to the planning system

## Consultation response, by Planning Oxfordshire's Environment and Transport Sustainably (POETS)

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POETS (Planning Oxfordshire's Environment and Transport Sustainably) is a group of senior planning, environment and transport professionals and academics focussed primarily on planning and transport in Oxfordshire.

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# Key Points

1. POETS (Planning Oxfordshire's Environment and Transport Sustainably), welcome the Labour government's speedy response to the country's housing crisis and the recognition that the planning system is central to its solution.
2. However the draft National Planning and Policy Framework (NPPF) is just a start. As well as aiming to increase the number of new homes built, funding must be made available to provide much needed infrastructure, services and genuinely affordable homes for the long term – owned by local authorities, housing associations or other not for profit organisations. Without this, housing targets will not be met, people will continue to live in overcrowded or sub-standard homes, and vast amounts of public money, including for instance costly housing benefits, will be wasted.
3. At present it looks to us as though the new government is intending largely to continue the housing model of previous Conservative governments. This has failed and is doomed to fail. Authoritative reports, including those by Shelter 'Building for our future: a vision for social housing' and 'The Raynsford Review of Planning November 2018' point the essential way forward on housing and planning. Post war history tells us that the only times where 300,000 homes a year have been built, are when half have been by the public sector.
4. The government must also ensure that climate mitigation and adaptation measures are funded and environmental and health impacts addressed. This would make the approach truly effective and bring lasting benefits to all sectors of society for generations to come.
5. Our detailed response to the NPPF is set out below.

# Maintaining effective co-operation and the move to strategic planning

6. **Question 12:** We agree that housing need cannot be met without strategic planning and consider that effective arrangements need to be put in place for cross boundary working outside of mayoral areas; a simple 'duty to cooperate' is not likely to do the job. This is essential in areas like Oxfordshire if land is to be used effectively, with the best locations being identified for new housing, jobs, infrastructure, services, green space and renewable energy. It is also essential for addressing wider themes like health, climate change and biodiversity and it is critically important to achieve sensible planning for transport. In the meantime, we are pleased to see that local authorities will continue to be under a duty to cooperate with each other on strategic matters. However, there must be full scrutiny of the options for achieving higher rates of development in settlements surrounded by green belt claiming they are unable to meet their needs.

# Planning for the homes we need and a new standard method for assessing housing needs

7. **Questions 17 and 19:** We are concerned with the assumption that the worsening affordability of homes is the best evidence that supply is failing to keep up with demand and that the new approach will help direct more homes to where they are most needed. This conflates two separate things – need and demand. House prices are high because housing is seen as a secure and tax savvy investment – buy-to-let, Airbnb, buy-to-leave,

second homes, and moving from high priced to lower priced areas for more spacious housing all reflect market demand, not need. Council house sales have both triggered and then exacerbated the housing crisis and government must change this policy. Rather than simply trying to increase supply the government should be looking at more targeted ways of curbing the rapidly increasing land values and house prices, and not simply by an arbitrary discount on over-inflated market rates. One key way to do this is by capturing land value uplift for the public purse.

8. We agree that affordability is a key issue, but the increase in the affordability multiplier from 0.25% to 0.6% appears arbitrary and is not evidenced or justified. In some areas like Oxfordshire, it gives rise to unrealistically high building targets significantly above the standard method and recent building rates. This, coupled with the speed at which the new standard method is to be introduced and the requirement that local planning authorities must continually demonstrate 5-year supply of deliverable sites, is in effect a developers' charter. This approach was not successful under the previous Tory government, and will not increase the rate of building or make homes more affordable now. Developers will secure planning permissions but then constrain the rate of building to ensure profits don't fall - and there is little local authorities can do to expedite actual building. The government must address this shortcoming. Evidence over the last 40 years or more shows it is the lack of investment in public sector housing that has had the biggest effect on reducing the rate of house building. To increase building rates and provide genuinely affordable safe secure homes for those in need there must be significant government investment in homes owned by public or not-for-profit organisations.
9. For Oxfordshire the proposed standard method increases the average annual building rate from 3,229 a year under the current method to 5,151, an increase of 1,922 a year (a 60% increase). Over the next 15 years that is around 28,830 homes in addition to those that are already planned. This is a huge addition to the already challenging targets that were accompanied by the previous government's empty pledge of significant investment in infrastructure. There is already public concern about the effect higher building rates are having on the loss of countryside and on over-stretched public services and infrastructure. Under-resourced local authorities will experience tremendous pressure, both to review their local plans to accommodate the higher numbers and deal with the big increase in planning applications that are likely to follow. Planning by appeal or fear of appeal is likely to result in poorly planned development. There will be little chance to plan comprehensively for homes with investment in public transport, active travel, schools, health and recreational facilities, access to open spaces, highway improvements, water supply and sewage disposal. We fear that in the dash for development the critical objectives of sustainable development, mitigating and adapting to climate change (including homes that have zero carbon energy performance), building safe, healthy, inclusive communities, and improving biodiversity will not be achieved. The NPPF must make it clear that achieving the housing numbers must not be at the expense of these important objectives.

## Brownfield, Grey Belt and the Green Belt

10. **Question 20**: We have no objection to saying that using suitable brownfield land within settlements for homes and other identified needs is acceptable in principle (paragraph 124c). However, it does not automatically follow that all proposals for development on such sites will be acceptable, and we do not see it as a first step towards brownfield passports. These could lead to poor quality, badly located, unhealthy housing – in the same way that the relaxation of permitted development rights enabling the change of use of existing buildings to housing has done (a measure that should be reversed).

11. **Questions 23 – 46:** We would object to any change that would enable speculative developer led development in the green belt. We recognise that green belts may have a part to play in meeting the development needs of the country's towns and cities. But it should be made clear that land will only be removed from the green belt, or designated as grey belt, through the development plan process. Without this there will be a plethora of uncoordinated applications and appeals which cumulatively would threaten any cohesive vision for effective transport, health, public services and infrastructure provision. It would be a bonfire of the protection given to green belts for the last 70 years, a key feature of which has been their permanence. On the proposed changes relating to the review of green belt boundaries, we consider the words 'in full' should be deleted from the third sentence of paragraph 142. In Oxfordshire it may be preferable to meet some of Oxford's needs beyond the relatively narrow green belt.
12. We agree that if development takes place on land which is currently designated green belt it should only happen if the requirements in paragraphs 155,156 and Annex 4 are met. However, the NPPF should state that green belts provide valuable open space for outdoor sport and informal recreation, and retain landscapes, visual amenity and biodiversity which give benefits, including health, to all the towns and villages within the green belt. These were among the original aims of green belt. The open space requirements (paragraph 156) should reflect this wider purpose and not be limited to meeting just the needs arising from the proposed development. We welcome the guidance on providing 50% affordable housing and the viability considerations in Annex 4. We particularly welcome the statement that if land released from green belt is transacted above the benchmark land value and cannot deliver policy-compliant development, then planning permission should not be granted.
13. Importantly**,** if Annex 4 (or similar) were to be applied to all sites, not just in green belts, it would make a massive contribution to meeting the country's housing need, infrastructure and other requirements.

## Delivering affordable, well-designed homes and places.

14. **Questions 47 – 55:** We agree that assessments of housing need should include those requiring social rent and looked-after children (paragraph 63). In paragraph 64 we agree that where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, including the minimum proportion of socially rented homes required. We agree with removing the arbitrary and blanket requirement to deliver 10% of housing on major sites for affordable home ownership (paragraph 66) and the proposal to encourage a mix of tenures and types (new paragraph 69). However, we are concerned that the government is focusing mainly on delivering affordable housing through developer contributions. While such contributions have an important role, government investment will also be needed to truly boost supply.
15. **Question 52:** Bold steps are needed if the government is serious about achieving a high percentage social rent and genuinely affordable housing. It should require a minimum of 50% affordable housing on **all** greenfield sites (10+ homes) otherwise there could be a perverse incentive for local authorities to identify development sites in the green belt, rather than elsewhere, to maximise the number of affordable homes delivered. The government should implement measures to secure cheaper land for **all** development – similar to that proposed for green belt areas in Annex 4. The Raynsford Report (amongst others) demonstrated the urgent need to capture more of the considerable uplift in land values for public services and investment (including for affordable housing) when planning permission is granted - since it is the exercise of public decisions that creates that uplift. Simplifying the compulsory purchase process and removing compensation to

landowners based on 'hope value' (as recommended by the Commons Select Committee on land value capture in 2018) is essential if the government's ambitions are to be achieved.

16. In addition, the definition of affordable housing in **Annex 2** should be changed. 20% below local market rates is not affordable, particularly in high price areas. Affordability should be related to average earnings for a particular area (see response to question 57 below). The definition of First Homes (in Annex 2) should be clearly set out rather than referencing the 'Affordable Homes Update' Written Ministerial Statement dated 24 May 2021**.**
17. **Importantly**, stopping the automatic right of tenants to buy their council home at substantial discounts would reduce the loss of affordable homes.
18. Potential sources of funding for affordable housing (in addition to capturing more of the increase in land values) could include higher levels of capital gains tax, including on second homes and buy-to-leave and buy-to-let properties, and a tax on properties owned through off-shore tax havens. This would also help slow down house-price inflation (of benefit to those wanting to get on the housing ladder) and the growing inequality in the distribution of wealth witnessed over the last 14 years. Providing good quality genuinely affordable homes in the public and not for profit sectors, and phasing out the right to buy as in Scotland, would reduce the amount paid in housing benefit for expensive temporary accommodation. It would also reduce demand on the health services and improve educational attainment caused by sub-standard insecure housing.
19. **Question 54:** The application of the measures outlined in paras 15 and 16 above, together with local occupancy conditions, principal residence policies and rural exception sites, should help ensure that rural affordable homes are provided which remain available to local people in the long term.
20. **Question 57:** The definition of affordable housing should be amended to reflect household ability to pay for home ownership and rental costs, according to average and below average income levels. The ONS defines affordable home ownership according to annual disposal household income, differentiated by deciles, regions and UK countries. Similarly, in terms of rental affordability, the ONS have defined this as equivalent to 30% or less of household monthly income being spent on rent.

## Delivering community needs

21. **Questions 67 and 68:** We welcome the changes proposed to paragraphs 99 and 100 of the existing NPPF as they give significant weight to providing much needed public services and infrastructure.

## Promoting sustainable transport

22. **Question 69:** We consider the reference to a vision led approach to promoting sustainable transport modes to be essential in reducing traffic congestion and carbon emissions and promoting health and well-being. It must however be supported with unambiguous guidance - including for Local Transport Plans – to prevent authorities misinterpreting it. It should specify a minimum of 50% mode share for public transport and active travel to reduce dependency on the car.

## Promoting healthy communities

23. **Question 70:** Health should be set out as a strategic priority for plan making and decision taking. It should promote health and wellbeing, address health inequalities and support neighbourhood design that promotes walkability via safe routes to everyday facilities, including green infrastructure, parks, play areas and allotments. The NPPF should prioritise infrastructure to support active travel and public transport over infrastructure for private motor vehicles. By promoting the delivery of good quality and genuinely affordable homes it could help address the extensively evidenced health harms and costs caused by poor quality, unaffordable and insecure housing.

## Supporting renewable development

24. **Question 73:** We welcome the proposed changes to paragraph 160b (now 161) which directs local plans to identify suitable areas for renewable and low carbon energy sources, and the weight given to renewable energy generation in paragraph 164. Paragraphs 163 and 164 could go further by requiring all new buildings, car parks and the re-use of existing buildings to have rooftop or other solar power. We recognise that to reach Net Zero, ground mounted solar will be necessary, but this should avoid the best agricultural land and be under-planted with species rich meadows to improve biodiversity. In addition, the December 2023 Written Ministerial Statement reconfirming that local authorities cannot require energy performance better than the current Part L of the Building Regulations must be removed to require new buildings to be at or near net zero energy standard. There should be no new housing being built that is dependent on fossil fuels for heating.

## Tackling climate change

25. **Question 78:** In view of the scale and urgency of this challenge we consider that the NPPF must be reviewed to give increased direction and urgency support resilience and adaptation.