


An Agenda for Growth Tackling the Housing Crisis



Economic growth is rightly at the top of the Government's agenda, and ensuring that the planning system is set up to deliver this growth is fundamental. However, there has been a hiatus in the planning system created by the ongoing uncertainty since the 2020 Planning White Paper, a lack of funding for local authorities (recently highlighted by the RTPI) and further delays caused by the emerging Levelling Up and Regeneration Bill ('LURB') and consequential planning reforms. Local plans continue to be abandoned, delayed or deferred. Recent data from the ONS has highlighted the stifling economic impact that this is having on the housebuilding sector and data suggests that major residential planning consents are at their lowest level since the Cameron government.

Most of the measures within the 'LURB' are designed for the longer-term. This 'Agenda for Growth' highlights the LPDF's proposals for modest change to the planning system to address these issues. Although some of these will require legislative changes, many could be done through changes to the NPPF or Planning Practice Guidance and this would have an immediate positive effect. They will produce quick wins and effective results. We therefore commend it to the Government.

We believe the Government should:-

Prepare a Written Ministerial Statement

This should highlight the following:

- The importance of the housebuilding and construction sector to the economy to ensure that decision makers accord significant weight to the economic benefits of proposals in the planning balance;
- The need to address the housing crisis and in particular, ensure the delivery of affordable housing by according significant weight to the delivery of the latter in the planning balance by decision makers;
- To re-emphasise the importance of plan making and incentivise local authorities to prepare and adopt up-to-date Local Plans.

Focus on Plan-making

To urgently provide clarity on how housing need is calculated by, if necessary, reverting to locally assessed housing need (following guidance which sets out the key factors to take into account) which is independently reviewed and robustly tested at Examination. This should address housing need across administrative boundaries, whilst ensuring that sufficient homes are delivered nationwide to address the housing emergency that exists and to support increased levels of economic growth;

Local Plans should deliver a wide range of suitable sites (by size and location), to deliver different tenures and types of dwellings (e.g. senior living, self and custom build). It is important that local authorities have a duty to independently review and update these plans every 5 years and changes should be made to Paragraph 33 and Footnote 39 of the NPPF to emphasise the need to keep local plans updated and to reinforce the need to maintain a rolling 5 year housing land supply in all areas of the country;

To ensure that all local plans include sufficient reserve sites such that in the event of non-delivery or slow delivery of an allocated site, immediate housing land releases could be made to ensure delivery of the requisite annual housing requirement;

To ensure that the Government intervenes in the plan making process more readily and more consistently when little effort is being made by authorities to review an out-of-date Local Plan.

Provide Incentives

To consider making the existence of an up-to-date Local Plan a requirement for local authorities to be able to bid for all forms of Government funding, including from Homes England, as a clear incentive for authorities to prepare and review Local Plans;

To allow local authorities with an up-to-date local plan to be able to set a higher level of locally determined Infrastructure Levy;

To allow local authorities to be able to set their own planning application fee levels where this can be justified and an up-to-date plan is in place;

To consider offering a significant boost to the New Homes Bonus for authorities with an up-to-date plan in place and to re-introduce Planning Performance Grants;

To consider requiring applicants to pay a fee upon submission of an Appeal, proportionate to the application fee, which would be refunded by the local authority in the event that the Appeal were allowed. Also, to refund planning application fees to all successful appellants to incentivise positive decision making by local authorities.

Address Current Barriers to Growth

To ensure that all Local Planning Authorities are properly resourced with a system of incentives and rewards for planning employees to maintain the delivery of an efficient high-quality service and to aid staff retention;

To ensure that Natural England and the Environment Agency review urgently the impact of their policies on Nutrients (as well as Water and Recreation) and are urged to take a more practical, pragmatic interpretation of the 'precautionary approach' inherent within the Habitat Regulations. This could be achieved through the preparation of secondary legislation which establishes the principle that developer contributions, to accelerate improvements in Wastewater Treatment Works and water efficiency schemes which minimise further water usage in new homes, whilst also contributing to retrofitting of existing properties and other possible solutions, can be considered as appropriate mitigation for purposes of the Habitat Regulations.

Prepare New Planning Guidance

To outline that if there is no up-to-date Local Plan in place, then the decision maker should place a reduced level of weight on any conflict with the policies contained within the Local Plan with an accompanying stronger presumption in favour of sustainable development where the Local Plan is more than five years old. This would provide a positive incentive to keep plans up to date;

To review the current Local Plan Examination process to make it more streamlined and make the tests of soundness clearer and more relevant to achieving growth in the context of sustainable development objectives;

To re-emphasise the importance of the Presumption in Favour of Sustainable Development by clarifying the interpretation of Paragraph 11d of the NPPF.

Undertake Reviews

To review the basis for a more strategic level of planning using the new measures in the Levelling Up and Regeneration Bill which will address infrastructure provision, levelling up and housing and economic growth across a wider geographic area, and to concentrate levelling up funding on areas with such strategic plans in place;

To undertake a review, at the national level, of natural (environmental, landscape, flooding, ecological) or other policy constraints that limit land use for development (including some of the proposals of the 'Housing Addressed' report of September 2018 by Simon Clarke MP);

To review the First Homes initiative, which although it is a positive policy, is being hindered by its initial restrictive and unclear drafting.