



Campaign to Protect
Rural England
Standing up for your countryside

Targeting the countryside:

The impact of housing land supply requirements on green spaces and local democracy



Our new research shows that a loophole in national planning guidance is allowing developers to bypass local democracy and gain planning permission for large housing developments in the countryside.

Key findings

The National Planning Policy Framework (NPPF) was published by the Government in March 2012, placing an emphasis on the need to “significantly boost housing supply.” CPRE agrees that we need more new housing and particularly affordable housing which meets identified local needs. But greenfield development should be a last resort, not the default as our research shows is currently the case.

The NPPF puts greenfield sites at risk by forcing local authorities to demonstrate that they have a supply of housing sites which are ‘economically viable’ for a developer, and which can meet market demand for the next five years. However, local authorities can only make land available for housing; they rely on private developers to actually build the homes at the required rate. If developers fail to deliver enough homes, it is the local authorities who are required to address

the shortfall by allocating even more land for housing – often on less sustainable, but more profitable, greenfield sites.

The process of creating local plans is taking longer as local planning authorities struggle to identify a five year supply of housing land without sacrificing valued green spaces. Since the NPPF was implemented only 17.6% of authorities have had their local plan approved by the Government.

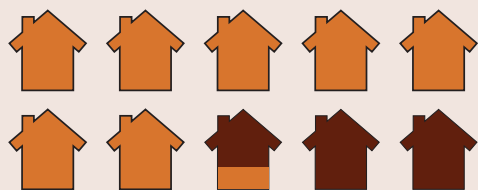
Without a plan in place local authority decisions to reject housing on greenfield sites can be overturned by a Government Inspector, undermining local decision making. A local plan can also be disregarded if it doesn’t show ‘a supply of specific deliverable sites sufficient to provide five years’ worth of housing.’ The consequences are proving catastrophic for the countryside; in the past two years 26,840 houses on greenfield sites have been given planning permission at appeal when the local authority was not found to have enough housing land supply to meet its requirements.



Our new research

CPRE commissioned respected consultants Parsons Brinckerhoff to investigate how the NPPF's housing policies are being interpreted in local plans, and in decisions by Planning Inspectors and the Secretary of State*. The results, drawing on an analysis of 309 planning appeal decisions for residential applications on greenfield land, confirm that NPPF policies are resulting in a large number of appeals overturning local decisions. If the application is for a major housing development, and the local planning authority does not have a five year land supply, the success rate at appeal is 72% (compared with 35% overall).

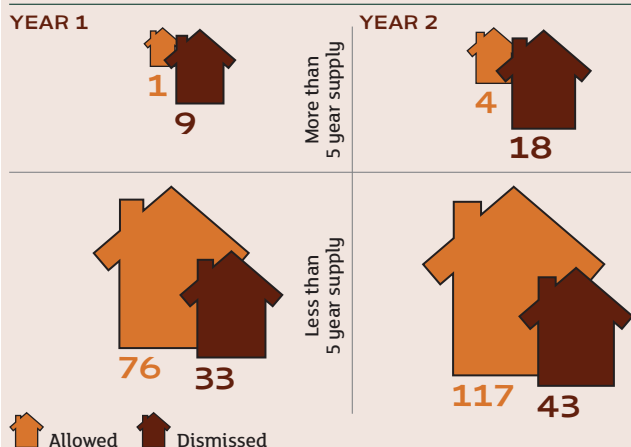
FIVE YEAR LAND SUPPLY



72% OF THOSE APPEALS WHERE THE COUNCIL COULD NOT DEMONSTRATE A FIVE YEAR SUPPLY, 72% WERE ALLOWED

The research also found that even where the local planning authority did have a five year supply, one in six of the appeals were still approved. CPRE believes these decisions undermine local democracy and are leading to an erosion of faith in the planning system.

APPEAL DECISIONS BY YEAR OF NPPF



Most appeals have taken place where the council is unable to demonstrate a five year supply. This graph shows the number of appeals allowed and dismissed in both years of the NPPF where housing supply was an issue.

GREENFIELD HOUSING UNITS AT APPEAL



40,323
Units on sites subject to planning appeal

12,340*
Units on greenfield sites dismissed at appeal

27,364*
Units on greenfield sites allowed at appeal

*(Also 349 units on two sites at appeal which were split and part allowed, part dismissed)

Problems in meeting housing requirements

It is clear that the NPPF is making the five year land supply the major factor in deciding planning applications. Yet the research found that current policy – and a lack of detailed guidance – is making it very difficult for local planning authorities to prove that they have a five year supply. There are a number of contributing reasons for this:

- An inflexible focus on short-term housing targets makes it difficult for councils to plan effectively for large sites which may have long lead-in times.
- Current policy requires that 'under delivery' of housing in the past must be accommodated in the next five years. This is regardless of the reasons for the 'under delivery'; in some cases 'under delivery' is because past regional planning policies – agreed by local authorities and approved by Government – quite correctly sought to direct new housing away from greenfield land and towards brownfield sites in urban areas.
- Current policy does not allow recent housebuilding rates to be taken into account, leading to excessive requirements which councils cannot realistically meet, especially in areas where the housebuilding industry is still recovering from the recession.
- Pressure from five year supply requirements means greenfield land is increasingly being earmarked for housing, while viable, deliverable and sustainable sites with local support are overlooked. Perversely, this situation is often exacerbated as councils who have struggled to meet housing targets are required by the NPPF to increase their five year supply by 20%, as a 'buffer' to 'ensure choice and competition in the market for land.'

*Housing Supply Research: The impact of the NPPF's housing land supply requirements on housing supply and the countryside



HOUSING SUPPLY BUFFER



IN TWO THIRDS OF APPEAL DECISIONS WHERE THE BUFFER WAS MENTIONED THE MAXIMUM OF 20% WAS APPLIED

Problems in setting housing requirements

The five year supply that councils need to provide is based on housing requirements which are inherently problematic for a number of reasons:

- The guidance on how to determine the housing need in an area is minimal, and is leading to large over calculations.
- Current policy for determining how many houses are required in an area says that you must start with the number provided by a Strategic Housing Market Assessment (SHMA) and then

attempt to justify why environmental constraints mean that it is not possible to achieve that level. This method puts far less emphasis on the value of the countryside than previous policy, and far more on meeting housing demand regardless of the consequences.

- SHMA predictions are based on aspirational demand rather than an identified and realistic need. So they are likely to lead to an oversupply of land allocated for housing in economically buoyant areas, and an undersupply in areas with large amounts of brownfield land which could accommodate more development.
- The level of five year supply is regularly being decided, ad hoc, during planning appeals by Government Planning Inspectors, rather than through the more considered and democratically accountable local planning process. This 'moving of the goalposts' has created huge uncertainty over the reliability of housing requirements for local planning authorities, communities and developers.

Planning appeal case studies

The following case study is typical of the problems facing local planning authorities:

- An appeal for 154 dwellings on a greenfield site outside the development boundary of Calne in Wiltshire was allowed when the Inspector concluded that significant weight must be given to the NPPF's presumption in favour of sustainable development and its objective to considerably boost the supply of housing.

This case reflects the vast majority of appeal decisions that were analysed, in which the requirement for a five year housing supply and the need to find developable sites is prevailing over policies restricting development on open countryside or existing greenfield sites.

Best practice precedents: appeals turned down by Government Inspectors when the five year housing supply target was not met

Although our research highlights that planning appeals are three times as likely to be decided in the developers favour, we did find notable exceptions where appeals were rejected. These were often because environmental policies were given proper weight.

- An application for 53 homes in Sutton-in-Craven, North Yorkshire was dismissed at appeal after the Inspector cited the NPPF in concluding that the impacts of the development on the character and identity of the area outweighed the benefits of the new housing.
- The Secretary of State dismissed an appeal for 1,420 homes on greenfield land separating two settlements in north west Leicestershire; he agreed with the Inspector's conclusions that the adverse impacts on the landscape and air quality, and the loss of high quality agricultural land, outweighed the benefits of the housing.
- The Secretary of State refused permission for 165 dwellings in Thundersley, Essex against the Inspector's recommendations, because it would result in the loss of Green Belt and undermine national Green Belt policy.

Lessons to learn from case studies

The three appeal decisions above represent a small minority of the cases which the research has looked at. They indicate, however, that appropriate outcomes from planning decisions are possible without a radical overhaul of the current system. Instead we are suggesting that relatively small changes to current policy and guidance would ensure that environmental sustainability carries the appropriate level of importance in all planning decisions.

Targeting the countryside

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Our recommendations

To address the issues identified in the research, CPRE is calling on the Government to make the following changes:

Policy

- Amend paragraph 49 of the NPPF so that there is not an automatic presumption in favour of granting planning permission where the local authority is unable to demonstrate a five year land supply. It should also be made clear in these cases that developers should still be expected to meet local policy objectives, such as using brownfield sites before greenfield.
- Immediately suspend the requirement in the NPPF to allocate an additional 20% 'buffer' of 'deliverable' housing sites because it is exacerbating already unrealistic housing requirements.
- Amend paragraph 14 of the NPPF so that meeting housing demand does not have greater weight than environmental and social sustainability in plan making and decision taking.
- Amend the NPPF to allow for a flexible approach to five year housing supply in local authorities that can demonstrate they are promoting large scale, sustainable developments which will meet housing need in the longer term.
- Amend the NPPF to ensure that where an up to date Local or Neighbourhood Plan is in place, development of inappropriate and unallocated sites will not be permitted at appeal.

Guidance

- The National Planning Practice Guidance (NPPG) should be expanded to provide detailed guidance on preparing five year housing supply requirements.
- Provide guidance which outlines how data on building rates can help local authorities and developers with forward planning, so that greenfield sites aren't developed unnecessarily based on misinformation.

- Provide further detailed guidance by expanding the NPPF Glossary to provide specific definitions of words and phrases that have been open to interpretation; a notable example is clarifying what is meant by "objectively assessed need" in setting housing targets.

Further research

- The existing guidance on the production of Strategic Housing Market Assessments (SHMAs) should be reviewed and expanded to provide more detailed guidance and standard methodologies. The guidance must be clear that SHMAs are not policy documents and objectively assessed need does not always represent an appropriate housing target for an area. The SHMA review should answer the following questions:
 - How can past undersupply and the reasons for it be reasonably included in future housing requirements?
 - How can realistic build rates be assessed and included in future housing requirements?
 - How can more emphasis be placed on environmental sustainability and meeting locally identified affordable housing need, and less on meeting projected market demand?
 - How can a clear methodology ensure that the assumptions used and the degree of error inherent in predicting future housing requirements is highlighted?
 - How can a clear and transparent approach to meeting housing needs be achieved?

CPRE commissioned independent research by Parsons Brinckerhoff into the NPPF's housing policies. This is presented in the research report; *Housing Supply Research: The impact of the NPPF's housing land supply requirements on housing supply and the countryside*

Download the full research report from www.cpre.org.uk



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