

Sent by email to: TechnicalPlanningConsultation@communities.gov.uk

1st October 2020

Changes to the current planning system consultation
Ministry of Housing, Communities and Local Government,
3rd Floor, South East Fry Building
2 Marsham Street
London SW1P 4DF



As Chairman of **South East England Councils (SEEC)** – a membership association representing most councils across the South East including county, unitary and district tiers, I attach to this letter, the SEEC submission to the consultation.

I will briefly outline below some common points that have been made in soundings I have taken with SEEC member local authorities:

1. **The planning system is not the problem as to why more homes are not being built.** Around 400,000 homes, granted planning permission over the last 10 years, remain unbuilt, in many cases, due to developers and housebuilders hoarding planning consents.
2. **The timeframe allocated for response has been very limited.** For such a fundamental undertaking one would have expected a longer timeline for reflections and interaction.
3. **There is concern at the disproportionate increase in development proposed for the south east.** The region already takes a disproportionate share of development. This does not contribute to the levelling up agenda but rather puts emphasis - and pressure - on the south east.
4. **The proposed formula for determining developer infrastructure contributions does not take account of higher costs in the south east region.** County Council members have expressed concern at the loss of an ability to negotiate specific contributions for infrastructure needs such as schools and highways as currently possible via s106 contributions.
5. **A clear means to prevent urban sprawl is needed.** In a heavily developed region such as the south east there must be a means of preventing coalescing of communities and sprawl.
6. **Planning Communities is about more than housing.** Providing employment is very important but seems to have been neglected in this consultation. It should be remembered; the South East is one of just three regions that makes a positive financial contribution to the national exchequer.

SEEC correspondence address
South East England Councils
Room 215, County Hall, Kingston KT1 2DN



7. **The thrust of the proposed changes diminishes local democratic influence over development.**

If government genuinely believes in devolution it then needs to trust local communities and their democratically elected councils.

8. **These 'reforms' distract attention from the need for more social and affordable housing.** Most Councils, irrespective of party, across the South-East want to see government focus and energy prioritised on increasing investment in housing for rent and sale, not on dismantling the existing planning system.

In conclusion, I believe there is a widespread view held by councillors across this region that Ministers should reconsider proposed changes to the current planning system (and indeed the need for a White Paper) and instead work with local councils to ensure delivery of local housing that is affordable and accessible for local communities.

[The full response from South East England Councils can be viewed below.](#)

If you require any clarification please contact the SEEC Secretariat at communications@secouncils.gov.uk

Yours sincerely,

A handwritten signature in black ink, which appears to read 'Roy Perry', is written over a thin horizontal line.

Cllr Roy Perry
Chairman, South East England Councils

South East England Councils (SEEC) response to MHCLG changes to the current planning system *open consultation*



“The South East is already under tremendous planning pressure through higher development costs and it is important that careful attention is paid to the particular issues of the region. Furthermore, under this proposed housing methodology, there is concern among local authorities, that the South East will face greatest burden in delivering on these revised targets – with an average 57% increase across the region.

However, we do recognise that there is a need to build quality affordable homes in order boost regeneration and development across the region, while also supporting localised Covid-19 recovery efforts. These aims are best achieved in co-operation with local councils rather than by central imposition.”

Cllr Roy Perry, Chairman, South East England Councils

1. Introduction

1.1 This response is from South East England Councils (SEEC) a cross-party, voluntary membership association recognised as a regional body by the Local Government Association (LGA). SEEC brings together District, Unitary and County councils to promote the views and interests of all tiers of local government across the South East. The majority of the 71 local authorities across the south east region are members of SEEC.

1.2 SEEC welcomes the opportunity to respond to this select committee’s call for evidence. During the coronavirus pandemic, councils the length and breadth of the UK have adapted, and risen to, the challenges brought about by Covid-19, by continuing to provide essential services to residents and leading on local recovery efforts. Councils have demonstrated that if you put faith in local leaderships they can deliver.

1.3 It should be noted that the points below do not necessarily reflect the fixed views of SEEC, but rather are a compendium of feedback received from member councils. If any clarification or further detail is required on any point raised, the SEEC secretariat would be delighted to help facilitate this.

1.4 It is worth noting at the outset that SEEC recently commissioned polling organisation Savanta ComRes¹ to survey a cohort of businesses, local authorities and residents across the South East on a number of issues, including on housing and planning. On barriers to building new homes, businesses are significantly more likely to highlight opposition from the community as a main barrier to building new homes (49%), compared to the public (41%) or councillors (39%). Meanwhile, councillors are just as likely to shift the blame onto larger developers being too slow (38%), a viewpoint a small majority of business (13%) and the public (16%) share.

¹ Polling conducted by Savanta ComRes for South East England Councils of 504 adults (members of the public), 278 businesses, and 261 councillors, all based in the South East, between 4 and 17 September 2020. Public data were weighted to be representative of South East England adults by age, gender, and county. Business data were weighted to be representative of South East England by industry type, and councillor data were weighted by council type, council control, party, and gender.

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1.5 Planning communities is about more than housing and providing employment is also important, which seems to have been neglected in this consultation. Indeed, in a recent poll of 275 councillors in the South East revealed that the government should prioritise a number of areas in order to support the South East's economic recovery post Covid-19, including employment (89%), social care (89%), schools (82%), environment (82%) and digital infrastructure (80%), while 58% of councillors polled said housebuilding as a high priority². It is also important that the Government recognise that the South East is one of just three regions that makes a positive financial contribution to the national exchequer.

2. Changes to the standard method for assessing local housing need.

2.1 There is concern among many local authorities across the region that the proposed changes to the standard method will be felt acutely across the South East, with housing deliver rates forecast to increase by 57%, when compared the current rates of delivery³. While undermining threatening to undermine the government's levelling-up agenda, as some regions⁴ in the north would see a percentage decline required housing delivery. As the new methodology appears to favour more affluent areas, placing greater pressure on local authority planning systems in the South East, when compared to their counterparts in the Midlands, but particularly in the north. Furthermore, in a heavily developed region such as the South East some clear means of preventing coalescing of communities and urban sprawl is needed.

2.2 One district council in Oxfordshire reported that a common approach to establishing housing need is sensible and should, in theory save time and money at examination, helping to speed up the plan-making process. However, this council also stated that there are known limitations with using trend-based household projections, particularly when short-term migration trends are used, and the relationship between housing delivery and affordability is complex. Meaning, that whilst an adjustment for housing affordability clearly needs to be factored in, this should not be at the expense of ridiculously high (and undeliverable) levels of housing need, particularly when exacerbated by removing the cap which is used in the current method.

2.3 A borough council member in Hampshire supported the concept of splitting out national targets in principle, with this council adding, the challenge that has not been met since the end of Regional Spatial Planning is how to do this in a fair way that meets economic and environmental needs and is also deliverable. The borough council went on to say that algorithms and formulae do not work, concluding that a better approach would be to reinstate regional planning that broadly worked in the South East through the regional planning forum in the South East (SERPLAN).

2.4 Another borough council based in Hampshire said that while the 300,000dpa target may be appropriate over the next five years in order to address past under provision and suppressed household formation, in the longer-term, this is significantly in excess of what is more likely to be needed, estimated by this council to be around 210,000dpa between 2020-2035.

² South East England Councils (SEEC) commissioned Savanta ComRes to survey opinions of 275 Councillors across South East England between 13 and 23 July 2020. Breakdown of councillor participants was: 65% District, 23% Unitary, 13% County Council.

<https://www.seccouncils.gov.uk/2020/07/polling-of-south-east-england-councillors/>

³ <https://www.lgcplus.com/services/housing/new-housing-algorithm-will-seriously-jeopardise-levelling-up-ambition-15-09-2020/>

⁴ Ibid: Percentage decrease when compared to the current delivery; Yorkshire and the Humber, -6%; North West, -8%, and North East, -28%



2.5 This particularly borough council went on to add that housing delivery has not been at this level since the 1960s when there was substantial council house building, and it is questionable as to whether the private development industry could deliver such numbers, and also whether the housing market would absorb them on a long-term basis.

3. Securing of First Homes through developer contributions in the short term until the transition to a new system.

3.1 The proposal for a national formula for determining developers' contributions towards infrastructure does not seem to take account of higher costs in the south east region. County Council members in particular have expressed concern at the loss of an ability to negotiate specific contributions for infrastructure needs such as schools and highways as currently possible via s106 contributions.

3.2 It was stated by a member district council that the principle of First Homes as a new form of affordable home ownership is supported. However, this particular council also stated that this must be seen as one of a number of different affordable products and not imposed in a top-down, disproportionate and prescriptive manner, which will inevitably lead to other affordable products being side-lined, particularly where they hold less 'value' in viability terms.

3.3 The same member council also raised concerns about the possibility of allowing market housing on First Home exception sites. Adding, this should not be necessary with any loss in 'value' being absorbed by the landowner. This local authority suggested removal of any sort of size threshold for such exception sites also raises concerns on the basis that it lacks clarity and is likely to lead to large-scale proposals coming forward in inappropriate locations.

3.4 One borough council based in Hampshire reported that they opposed this particular proposal, arguing that this untested product is likely to be unattractive to developers and create a new burden on councils with future administration – similar to the "Starter Homes" initiative. Adding, this proposal is likely to reduce the supply of genuinely affordable homes for rent given First Homes are to be considered as part of the negotiated S106 share of new homes, and reduce the number of shared ownership homes that have an established route to market.

4. Supporting small and medium-sized builders by temporarily lifting the small sites threshold below which developers do not need to contribute to affordable housing.

4.1 A member district council reported that the Government's practice guidance on viability is very clear that policy requirements such as affordable housing provision should be reflected in the price paid for land. With this local council adding, on this basis, there should be no viability issue as the lower value of any affordable housing provision should be absorbed by the landowner. Adding, to suggest that raising the threshold for provision to 40 or 50 units will assist with viability runs entirely counter to the Government's own practice guidance. The reality is that it will make little difference to the pace of housing delivery but will severely impact on the number of affordable homes delivered.

4.2 Though a member borough council said they did not support this proposal, as most sites in local authority areas are under 50 units. Warning that proposal would seriously undermine affordable housing supply just at a time when with the rise in unemployment and underemployment, the need for affordable housing will rise dramatically. A consequence of this

proposals at this time will be a rise in affordable housing demand that cannot be met, and as a consequence, there will be rise in benefit and homelessness claims, warned a borough council in Hampshire.



5. Extending the current Permission in Principle to major development.

5.1 Whist the concept of granting Permission in Principle for sites identified on brownfield land registers and smaller sites of fewer than 10 dwellings is accepted, to open up the approach in respect of much larger sites including underdeveloped, greenfield sites creates a number of concerns, including the lack of a robust evidence base upon which judgements about suitability and/or acceptability can be made – a member district council reported.

5.2 The same member council also expressed concern about the proposals to remove the current cap on the proposition of non-residential development which can come forward as part of a residential scheme under Permission in Principle. Adding, it is essential that some sort of proportional limit is imposed.

5.3 Concerns were also raised about the potential for lack of sufficient publicity and community engagement as a well as the proposed fee arrangements which are clearly intended to incentivised applicants away from the outline planning application and towards the Permission in Principle route, notwithstanding the fact that such applications will still place a considerable resource burden on the local authority, a district council in Oxfordshire reported.

5.4 One borough council in Hampshire reported that they supported this proposals in principle, subject to further details. Adding, a local plan allocation should be sufficient to establish the principle of development and hence land value to site owner.

FURTHER INFORMATION

The Secretariat
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Room 215 County Hall,
Kingston KT1 2DN
e: communications@secouncils.gov.uk

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