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## By email only

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Changes to the current planning system – consultation on changes to planning policy and regulations

This response is sent on behalf of the Sussex Wildlife Trust (SWT).

SWT is the conservation charity for everyone who cares about nature in Sussex. We want Sussex to be a home for nature's recovery - a place where people and wildlife can thrive together, where people can enjoy nature and the health and wellbeing benefits it provides. We focus on protecting and enhancing the wonderfully rich natural life that is found across our towns, countryside and coast and represent 33,000 members from across the county.

At SWT, we know that for nature to thrive, we must inspire and engage with policy makers and other organisations to encourage positive change. We believe that new homes should be inspiring and beautiful places to live, where people and nature thrive together. We campaign for an evidence-based planning system that empowers local communities and protects and enhances the rich biodiversity of Sussex.

SWT is responding to the changes that we believe will most clearly impact on our vision for a Sussex as a place where wildlife and people can thrive together:

- changes to the standard method for assessing local housing need
- extending the current Permission in Principle to major development

# The standard method for assessing housing numbers in strategic plans

Q1: Do you agree that planning practice guidance should be amended to specify that the appropriate baseline for the standard method is *whichever* is the higher of the level of 0.5% of housing stock in each local authority area OR the latest household projections averaged over a 10-year period?

#### Increasing Supply

The Sussex Wildlife Trust (SWT) objects to the underlying policy driving these proposed changes, namely that providing 300,000 homes a year, skewed to the least affordable areas, will solve problems of inequality and poor access to homes.

The consultation document states that the overall level of need identified by the standard method needs to be sufficient to 'ensure that land supply does not become a limiter in achieving national supply aspirations'. This mantra is repeated in Proposal 4 of the Planning for the Future White Paper 'A standard method for establishing housing requirement figures which ensures enough land is released in the areas where affordability is worst, to stop land supply being a barrier to enough homes being built.

The standard methodology relies on an assumption that by making more land 'available' through forcing Local Planning Authority's (LPA) to plan for unrealistic numbers of homes, developers will build so many homes that the value of their own product i.e. house prices, decreases. This is clearly not a sound business model and will instead result in LPAs failing to meet their housing targets, therefore opening up the system to unsustainable and unplanned development. This in turn fails the natural environment by not considering if there is sufficient capacity to provide water, clean air and a landscape that can react to a changing climate for the benefit of people and wildlife.

LPAs allocate sites in local plans with the capacity to accommodate plan-targets, but developers decide build out rates and will not build more houses than can be sold by them at an acceptable to them profit. It is part of no house builder's business model to build so many houses that you have to sell them at a discount. This was illustrated within Sir Oliver Letwin's independent review on Build out Rates, commissioned by the Government<sup>1</sup>. Further evidence to demonstrate that it is a myth that a lack of supply is the cause of the so called housing crisis comes from the August 2019 UK Collaborative Centre for Housing report: Tackling the UK Housing Crisis: Is Supply the Answer?<sup>2</sup> The report states that:

'It is commonly claimed that we have failed to build enough houses to meet the demand for places to live. But official data suggest this is not the case: since the 1996 nadir of house prices, the English housing stock has grown by 168,000 units per year on average, while growth in the number of households has averaged 147,000 per year. As a result, while there were 660,000 more dwellings than households in England in 1996, this surplus has since grown to over 1.1 million by 2018.'

Further to this, Government data, analysed by the Local Government Association in February 2020, demonstrates that more than a million homes granted planning permission since 2009/10 have not been built<sup>3</sup>. Trying to influence affordability through supply does not work. The standard methodology will not deliver additional houses, just additional housing figures.

### Problems with the methodology

It is abundantly clear that the changes to the standard methodology have been designed to result in a housing target that meets the Government's manifesto pledge of 300,000 new homes being built a year. However, their manifesto also guaranteed that they will 'protect and restore our natural environment', 'increase biodiversity' and 'devolve power to people and places across the UK'. This Government made commitments to reverse wildlife declines in the UK, which is currently one of the most nature-depleted places on the planet, yet the proposed changes to the standard methodology will make this situation worse.

Using the baseline as suggested in the changes results in a self-perpetuating situation where authorities with high rates of house building in the recent past are made to continue that level of delivery in perpetuity. For example, a significant number of homes have been built in the last 5-10 years in Horsham District, but this does not mean the same level can be accommodated moving forwards. Continuous growth is clearly not compatible with the principles of sustainable development, especially when there is currently little opportunity for LPAs to require new homes contribute sufficiently to net zero targets.

Additionally the ONS state that household projections are not forecasts, therefore they should not be used to calculate the need for housing. If projections are used they should be over a longer period to reduce volatility and prevent substantial changes in the housing need calculation each time a new set of projections is used.

#### Failing to meet targets

The evidence of the Letwin Review indicates that the housing targets are unachievable for a sustained period, not least due to limited supplies of building materials and limited availability of skilled labour. The

<sup>&</sup>lt;sup>1</sup>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/718878/Build\_Out\_R eview\_Draft\_Analysis.pdf

<sup>&</sup>lt;sup>2</sup> https://housingevidence.ac.uk/wp-content/uploads/2019/08/20190820b-CaCHE-Housing-Supply-FINAL.pdf

<sup>3</sup> https://www.lgafirst.co.uk/news/a-million-homes-not-yet-built/

focus needs to move to where and how we build houses; acknowledging the environmental carrying capacity of an area, not just how many homes we need to build.

When LPAs fail to meet their housing targets they are punished by having less control on what development is acceptable for their local needs. In our experience, this results in unplanned development in unsustainable, car-dependent locations, that do nothing in terms of delivering nature on people's doorsteps. Whilst this system is likely to change through proposed future planning reform, a large amount of damage can still be done though creating physical barriers to the development of a Nature Recovery Network (NRN) and perpetuating unhealthy, nature deprived lifestyles.

### **Environmental capacity**

One of the biggest flaws of the standard methodology is the lack of consideration of 'constraints' to housing delivery. We are currently in the midst of an ecological, climate and health crisis and yet, the changes to this methodology will make these worse as there is no consideration of environmental capacity.

It should be acknowledged that meeting a housing target is not in itself in the public interest if the type of development being delivered is working against nature's recovery and people's connection to nature. There is a public interest in delivering a Nature Recovery Network that protects and restores nature and this should be given significant weight.

In Horsham District, large housing allocations are being considered in the Local Plan Review that are entirely car dependent with little local infrastructure. This is under the current housing target, it is clear that if this new methodology is adopted even larger areas of Horsham District's countryside will be subsumed by housing estates.

The standard methodology should allow LPAs to adjust numbers based on local conditions and particularly recognised ecological assets. This must include components of the Nature Recovery Network and particularly sites with potential to contribute to nature's recovery.

In the current system, the only 'constraints' given any real weight are national landscape designations. Whilst we strongly support the protection of our most valuable landscapes, the current system results in housing delivery being pushed into neighbouring undesignated areas such as the Sussex low weald. This is an extremely valuable landscape with areas of high biodiversity that is being flooded with housing and associated infrastructure, creating a physical barrier to nature's recovery. Without connectivity and function across the landscape, the decline of nature across the country will continue.

Q3: Do you agree that using the workplace-based median house price to median earnings ratio from the most recent year for which data is available to adjust the standard method's baseline is appropriate? If not, please explain why.

SWT does not support the use of the workplace-based median house price to median earnings ratio. This is a flawed ratio as it assumes incorrectly that the majority of people working in a LPA also live there. In Sussex, this is clearly not the case where there is large amount of communing between LPAs and outside of the county. In particular, house prices in Lewes and Brighton are high because there is a good rail link to London.

Additionally, it does not account for the fact that many of the houses bought in Sussex go to people migrating into the county, often when they are retired. Their buying power is not related to workplace earnings in their destination LPA.

The adjustment formula creates the highest targets in rural areas which are often the least sustainable areas for extensive growth. The formula seems to be focused on increasing housing targets rather than delivering affordable housing. Fundamentally, the use of this ratio skews what is considered affordable, driving up further unsustainable levels of housing number without actually solving the issue (see comments on why increasing supply does not decrease house prices). Household earnings would be more accurate, although

this still does not account for the issue of the high percentage of retired people, particularly living in rural areas.

Q5: Do you agree that affordability is given an appropriate weighting within the standard method? If not, please explain why.

See answer to question 3.

# Extension of the Permission in Principle consent regime

Q24: Do you agree that the new Permission in Principle should remove the restriction on major development?

No, the Sussex Wildlife Trust (SWT) does not support this proposal.

The consultation claims to want to provide 'up-front certainty' that the fundamental principles of development are acceptable via PiP. The fundamental principle of sustainable development according to the NPPF, is to meet the needs of the present without compromising the ability of future generations to meet their own needs, taking into account the economic, social and environmental objectives of planning. SWT does not believe that sustainable development can be achieved when permission for the principle of development is given with no understanding of what the impacts of development on that site might be.

# Ecological evidence to ensure net gains to biodiversity

SWT believes in a plan-led development process where environmental opportunities and constraints are highlighted through a robust evidence base at the plan making stage and further site specific information at the application stage. We support and encourage a spatially informed, strategic approach to protecting and enhancing nature by mapping a Nature Recovery Network (NRN).

There appears to be no benefit to developers applying for Permission in Principle (PiP) on sites allocated in the development plan as Local Planning Authorities (LPA) rarely refuse these applications. Indeed 88% of all planning applications have been granted annually for the last 5 years<sup>4</sup>. Therefore the purpose of removing the restriction on major development would be to allow unallocated sites to gain PiP.

Planning Practice Guidance states that LPAs should draw on relevant existing information sources and tools to support PiP decisions. These may include local sources of evidence e.g. the development plan evidence base and historic environmental records. Whilst a useful starting point, historic environmental records, cannot replace on the ground survey data.

Current Sussex local plans are not yet informed by Local Nature Recovery Strategies and often have been adopted with an insufficient ecological evidence base. Some LPAs do undertake preliminary ecological appraisals for certain large potential site allocations during local plan creation e.g. Adur District Council, but this is not the norm and certainly on the ground ecological information is not gathered for wider LPA areas. Local plans only provide a strategic picture and do not negate the need for site surveys, which are the <u>only way</u> to determine if a site is not suitable for development because it is of high value to nature.

The Lodge Hill development in Kent is an example of the risk of relying on incomplete data: under threat from a housing development, Lodge Hill went on to be designated a Site of Special Scientific Interest because a site survey revealed a nationally important population of nightingales.

Allowing PiP for major development is also not compatible with the requirement in paragraph 170 of the NPPF to provide net gains to biodiversity. It is clear that the Defra biodiversity net gain metric cannot be employed without a site survey and therefore it is not possible to know whether a site can in fact deliver a net gain at the PiP stage. Additionally, allowing PiP for major development before Nature Recovery

<sup>&</sup>lt;sup>4</sup> https://www.gov.uk/government/statistical-data-sets/live-tables-on-planning-application-statistics

Strategies have been implemented, means there will be no consideration of the contribution sites could make to the NRN and opportunities for recovery will be lost

A LPA that approves a PiP without understanding whether the site will contribute to nature's recovery cannot be said to be meeting the requirements of sustainable development or the objectives of the 25 Year Environment Plan. SWT does not believe that any LPA in Sussex currently has a sufficient on the ground ecological evidence base against which to decide the appropriateness of a PiP application for major development.

#### **Cumulative** impacts

Under the current PiP system, there is no ability to assess cumulative impacts of developing PiP sites as so little information is provided at the application stage. Stating only a maximum and minimum number of dwellings provides no information on the number of residents that will move into a site and therefore LPAs can make no estimates of the impacts this development may have in terms of transport, water use and access to local green spaces. As PiP is valid for 5 years before more detail must be provided, we are concerned that multiple large sites could be given PiP that will ultimately exceed the environmental capacity of an area.

We are concerned that unplanned development through PiP will lead to densification without the associated green infrastructure required to absorb this level of development. In particular, Infrastructure Delivery Plans are created to ensure that infrastructure is delivered in line with the requirements of the local plan. This includes consideration of when over the lifetime of a plan development is likely to come forward. For PiP, LPAs do not know the level of green infrastructure improvements needed or when people will start occupying homes. It could be many years into the future or several PiP sites could apply for technical consent all in one go. Given the extremely short timelines for consultation and decision making, SWT is very concerned that this will lead to more pressure on existing green infrastructure and under delivery of improvements. There will also be missed opportunities in terms of delivering green infrastructure that provides multiple benefits across a number of development sites.

### Access to nature

The above concerns, particularly relate to the importance of development that provides access to nature. More and more people live their lives with little or no contact with nature. This disconnect affects mental health, contributes to obesity and even has an impact on life expectancy. Conversely, people with nature on their doorstep are more active, mentally resilient and have better all-round health<sup>5</sup>. This consultation puts an overemphasis on improving speed and reducing cost of development for developers and not on good place making that incorporates the objectives of the 25 Year Environment Plan.

For many of the same reasons, SWT is also concerned about the further relaxation of planning controls via the extension of the deregulated permitted development schemes. The Government's own evidence<sup>6</sup> found that very few permitted development change of use schemes provide any private amenity space and that most avoid making any planning contributions to local infrastructure, including green infrastructure. For example, in Crawley in West Sussex, only 9% of the 620 permitted development units considered met national space standards and only 2% had access to private amenity space. These issues are further compounded when permitted development schemes are located in primarily commercial and industrial areas which are usually extremely poor locations in terms of residential amenity.

The further extension of this permitted development regime will lead to increased recreational pressure on existing green spaces and further disconnection between people and nature, and therefore health and wellbeing. It should not go ahead.

<sup>&</sup>lt;sup>5</sup> https://www.wildlifetrusts.org/nature-health-and-wild-wellbeing#evidence

<sup>6</sup>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/902220/Research\_report\_quality\_PDR\_homes.pdf

# Q26: Do you agree with our proposal that information requirements for Permission in Principle by application for major development should broadly remain unchanged? If you disagree, what changes would you suggest and why?

As stated for question 24, SWT cannot support the principle of development being set without proper consideration of environmental capacity. The current system relies on LPAs being able to assess from desktop information whether a PiP site has high nature value and therefore is not suitable for development. LPAs also have to determine whether there is sufficient environmental capacity, particularly in terms of green infrastructure.

The Planning Practice Guidance states that a decision on whether to grant PiP must be made in accordance with relevant policies in the development plan. All the adopted local plans in Sussex include policies that require the protection and enhancement of biodiversity. We cannot see how a PiP decision can be made in accordance with these policies and for that matter, paragraph 170 of the NPPF, without ecological information being required. It is not enough to rely on the information provided by the applicant in Section 4 of the application form, especially given that LPAs cannot ask for further information.

The consultation document notes in paragraph 118 that currently some LPAs are wrongly continuing to make PiP decisions based on detailed matters. However, we see this as an indication that LPAs understand that you have to consider some basic principles when determining if a site is suitable for development and this requires site specific information. Any application for PiP should be accompanied by a Preliminary Ecological Appraisal and a determination of how a net gain to biodiversity will be delivered.

# Q28: Do you agree that publicity arrangements for Permission in Principle by application should be extended for large developments?

If this change goes ahead, then publicity arrangements for PiP must be extended to ensure local people and stakeholders have a chance to engage. The very short consultation period associated with PiP means it is much easier for an application to be missed simply because someone is on holiday. Planning for the Future states that the Government wants communities to be reconnected to the planning process, with residents more engaged over what happens in their areas. The short consultation and decision timelines for PiP seem contrary to this ambition.

SWT is particularly concerned that expanding PiP to major development will add even more pressure onto statutory consultees, shortening timeframes for response without providing any additional resource or capacity. This will do nothing to help provide certainty to developers as issues will be raised at the technical details stage which should have been addressed at the PiP stage.

# Q33: What costs and benefits do you envisage the proposed scheme would cause? Where you have identified drawbacks, how might these be overcome?

SWT is very concerned that the changes to PiP will result both in sites of high value for nature being destroyed by development and opportunities to contribute to natures recovery being lost. The 25 Year Environment Plan is clear that a Nature Recovery Network (NRN) must be developed to protect and restore wildlife. How a site can contribute to the NRN can only be determined with a site survey to assess current ecological value along with potential value. This information cannot be left until the technical detail application stage as by then the minimum number of dwellings to be accommodated on the sits has already been set. The example of Lodge Hill in Kent, makes this clear.

As stated for question 24 the costs will be the potential loss of biodiversity both through sites of high value being given permission and an inability to assess cumulative impacts on local species and habitats. There will also be difficulties in planning for and delivering necessary green infrastructure which may result in further disconnection between people and wildlife and missed opportunities for multiple benefits, such as carbon capture or flood prevention.

This could be overcome by not allowing PiP. If the change were to go ahead, we maintain that ecological information should be required at the PiP stage. Additionally more information about the types and mix of dwellings should be required so that the LPA can more accurately assess the impacts on environmental capacity and local service.

Yours sincerely,

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