



HOUSE OF LORDS

Built Environment Committee

Corrected oral evidence: The grey belt

Tuesday 19 November 2024

10.45 am

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Members present: Lord Moylan (The Chair); Baroness Andrews; Lord Bailey of Paddington; Baroness Eaton; Viscount Hanworth; Lord Mair; Baroness Miller of Chilthorne Domer; Baroness Warwick of Undercliffe; (Kelvin MacDonald, Special Adviser to the Select Committee).

Evidence Session No. 6

Heard in Public

Questions 65 - 75

Witnesses

I: Alex Sherman, CEO, Bath Preservation Trust; Avril Roberts, Senior Housing Adviser, Country Land and Business Association.

Examination of witnesses

Alex Sherman and Avril Roberts.

The Chair: Welcome to this meeting of the House of Lords Built Environment Committee. This is the sixth evidence session in our short inquiry into proposals for the grey belt. Today, we are taking evidence from, and we welcome, Alex Sherman, chief executive of the Bath Preservation Trust, and Avril Roberts, senior housing adviser at the Country Land and Business Association.

My name is Daniel Moylan, and I chair the committee. I shall not introduce the other members of the committee now, but I will call their names as they ask their questions. As you will notice, two of our members—and possibly a third, if the technology works—are joining us remotely, together with our special adviser, Kelvin MacDonald. They will ask their questions in turn.

Thank you very much for coming. Our first question is from Viscount Hanworth.

Q65 **Viscount Hanworth:** This question is posed to both witnesses, specialised to your respective areas and interests. What is your assessment of the amount of land that might be regarded as grey belt in your area? What are the existing uses, or pre-existing uses, of the land? Alex Sherman, can you briefly describe the character of Bath's green belt? How much of it is degraded or previously developed land?

Alex Sherman: I will start with the second question. The character of Bath's landscape is of extremely high quality. Around 50% to 60% of the green belt area surrounding Bath is in the Cotswold national landscape. For that reason, among others, it is of a very high environmental quality. Of course, there are a mixture of different characteristics associated with that.

It is very consistent with the landscape character assessment, in that it is characterised by large, open green tracts of land, punctuated by copses of trees and treelined fields. It is used for a mixture of purposes, from pasture to arable crops and feed crops, as well as for grazing animals. There are, of course, scrubby areas of land within that. Our reflection on that is that scrubby areas are very positive for biodiversity, for mammals, invertebrates and insects. Some of the land that might be considered degraded actually has an incredible value for wildlife and landscape.

On the sorts of uses of what might be considered grey belt, it is worth saying that two very significant tracts of land that have just been realised for housing would have been considered grey belt. They were former MoD sites that have now been converted into housing developments. The remainder of what we would describe as even being considered for grey belt land is extremely limited.

I will briefly describe the character of Bath.

The Chair: Can we be brief, because we have a lot to get through?

Alex Sherman: Of course. Bath is a condensed urban area, surrounded entirely by green belt. It is a protected world heritage site, with two inscriptions. The whole of the city of Bath is a world heritage site. The five-mile radius, which is entirely in the green belt, is a protected landscape under the UNESCO designation for world heritage.

Viscount Hanworth: The circumference is quite inviolable.

Alex Sherman: It is largely unviable. It would be difficult for us to differentiate what is poor-quality green belt and what might be considered grey belt. Any loss of land has a detrimental impact, effectively, to the UNESCO designation as a world heritage site.

Viscount Hanworth: Avril Roberts, how significant is grey-belt land likely to be as a proportion of agricultural land overall?

Avril Roberts: The Country Land and Business Association represents 26,000 rural landowners and businesses. About 10% of our members have some land within the green belt. Some of our members are entirely engulfed by it. With the current proposals, as they are written, it is difficult to say what type of land will be considered grey belt. It could be a very vast differential or, as the Government have repeatedly said, it could be things such as redundant petrol stations. It could also be typical greenfield development, which had no contribution to the green belt's original purpose.

We think there is a missed opportunity and that some of our members' redundant agricultural sites could be considered grey belt. We are concerned that there is a worry about agricultural land being affected by this new policy. If you take green belt as a whole of the UK, it is about 12.6% of land within the UK¹.

Viscount Hanworth: What is the percentage?

Avril Roberts: In England, 12.6% is green belt.

Viscount Hanworth: That is not as much as I had imagined.

Avril Roberts: About 65% of that is agricultural, within the green belt. If even just 10% of agricultural land within the green belt were developed, which is quite a high percentage, it would be less than 1% of England's total agricultural land. Even if we developed 10% of agricultural land in the green belt, it would be a very insignificant amount of agricultural land overall.

That is not to say that those developments would be insignificant for the area. If those sites were developed, it could have a huge impact on rural communities that need these sites to be developed to sustain their economic growth.

¹ Ms Roberts meant to say "England" rather than "the UK"

Viscount Hanworth: That is very enlightening.

The Chair: The general thrust of your argument is that you broadly believe that the definition of grey belt should be expanded to include former or disused agricultural buildings, structures and so forth on farms. You think that even a high proportion of grey belt within the green belt would have very little effect on the total quantity of agricultural land. To dig into that, would it be high-quality agricultural land? You are not making any differentiation between high-quality agricultural land and poor-quality agricultural land when you say that, are you?

Avril Roberts: No. In my statistics I have not differentiated what, on paper, is considered high quality and low quality. It is important to remember that the green belt is not within planning policy to protect agricultural land. There are existing protections in the National Planning Policy Framework to protect important agricultural land.

There will be sites that may have a productive value on paper; they have been given a grading at some point in the past to say that they are productive agricultural land, but that does not mean that they are productive in practice. I am talking about potentially quite small fields on the edge of a settlement. They are potentially difficult to farm because of their proximity to residential properties. They could be unsuitable for the modern machinery that farms have these days. They might have a small accessway, but they could be developed modestly to support housing within the green belt.

Q66 **Lord Mair:** I want to follow on from the questions that you have already been answering. There are existing processes for releasing land from the green belt. What do you think is going to be the effect of the grey-belt proposals? Is that going to release more types of land? You mentioned very briefly petrol stations. Can you give some other examples of what you think the grey-belt proposals will lead to in terms of more opportunities and more land being released?

Alex Sherman: I am happy to take that first, because I suspect we are on slightly different sides of releasing more grey belt. I fundamentally feel that the need for urban regeneration has not evaporated. My concern is that making grey-belt sites very easy to develop means that we are effectively undercutting the need for continued urban regeneration.

There is a lot of complexity around that. One of the proposals is to make grey-belt land available for sale at a price that is no higher than the surrounding agricultural land. That will have a very significant impact. What we are seeing, certainly in Bath and in many cities, is that brownfield development is expensive and difficult, but it is fundamental to make cities work and to make them viable as entities. If we are providing, in effect, an incentive for developers to use cheaper land on the outskirts of cities, we risk losing the ability to improve the quality of our inner-city areas.

I also have grave concerns about what a dormitory looks like. If we are putting 50% of affordable housing on grey-belt sites, in effect we are creating a dormitory that puts the people who may have the fewest resources on the outskirts of a city, while the people who have greater resources are in the centre of the city, which is what we see in Bath. The average house price in the centre of the city of Bath, for a two-bedroomed flat, comes in at £560,000. If you are on an average UK salary, the maximum mortgage you can achieve is about £130,000. The inner city is impossible to afford.

If it is possible to make grey-belt land affordable at the same price as agricultural land, it ought to be possible to reduce the price of brownfield sites through policy or development to level that up. My concern would be that in, 10 or 15 years, we will see urban areas going through denigration and loss of affordable housing and those brownfield sites will be left as derelict sites. We are slightly undercutting the ability to regenerate our cities.

The Chair: The grey-belt sites would be brownfield sites too, in many cases.

Alex Sherman: In effect, but they would be considered as what would now be seen as green belt. Identifying one individual grey-belt site in isolation ignores its relevance to high-value sites adjoining. For example, there is a monocrop playing field that might feasibly be considered a grey-belt site on the outskirts of Bath, but it adjoins a very high-quality SPA with bat nesting sites, mammals, and unusual fauna and flora. If that site is developed, it will have a detrimental impact on the SPA that it adjoins.

Baroness Andrews: I have a supplementary question on this. You make a very interesting case that it might impact on the ability or willingness to focus on regeneration in the inner city. Do you think your arguments, which relate to Bath rather specifically, would be as relevant to a larger conurbation—for example, a Midlands town where the green belt has a slightly different character?

Alex Sherman: Conceivably, though the answer would be different to a degree. My reflection would be that the city of Bath has been building more than the average number of houses in the UK. It is in the top 40% of housebuilding local planning authorities in the country. The difficulty that we face in that particular city is that the housing being built and coming through the planning system does not respond to local need.

We have been going through the local plan process in the Bath and the North East Somerset area in the last two years. Last year, the evidence base came forward that, of the 77% of need for housing in Bath, 36% is for people who cannot afford to buy or to rent houses and 41% is for people who are renting but cannot afford to buy a house. None of the housing that I can put my finger on, certainly in the last three years, responds directly to that need. If 77% of our housing need is for

affordable housing, even the grey-belt view of 50% does not come anywhere close for us to be able to deal with that.

Viscount Hanworth: What sort of housing have you built in the last few years?

Alex Sherman: Over the last 15 years, the housing that has been completed has largely been conventional housing—individual dwellings of two or three storeys. In the last three years we have had more developments consented that would be urban, central apartment blocks.

The Chair: This is the contradiction in what you are saying. There may well be an argument for saying that Bath and places like it are special because of the UNESCO designation: *noli me tangere*; put a red band around it and keep away, with no grey belt.

It seems to me that your argument is completely contradictory. You want lots of brownfield development in the centre of Bath—which is good in urban regeneration terms, and I completely understand that argument—but then you complain when it turns out to be popular, attractive, has high prices and does not cater to the needs of local people; whereas if somebody says they can build out on a site somewhere in the grey belt on the edge, you complain that it will be full of people in affordable housing and that it does not suit them to be out there on the edge. You would raise issues about how they would travel in and whether the transport would be appropriate—I can imagine what you might say. This is all having your cake and eating it, and the wrong way round.

Alex Sherman: I will take a step back from that. What I would like to see from our planning system is mixed tenure developments that work in the centre of a city and on the outskirts of a city. I do not have a problem with that. The proposals for the grey belt are, of course, subject to viability. I think they have a place potentially in our planning system, but my concern is that we do not have the checks and balances to be able to control that supply of housing sufficiently, for the very fact that we have—

The Chair: We do not, because this is not an entirely Soviet system, yet—it is close to it—where the state controls the supply of housing.

Alex Sherman: I politely suggest that the economic viability assessment is the thing that we consistently see developers being able to override in the system. Suggesting that 50% affordable housing on a grey-belt site will be subject to viability does not give me great confidence that the people who are developing will seek to achieve that 50%.

The Chair: I am sure you are right about that. We are already seized of that issue.

Alex Sherman: If I might respond to the point you make, I have no complaint but I think we ought to be focusing on an approach that sees all our brownfield sites developed before we start addressing the issues of the grey belt or the green belt, not forgetting that the UK is in the bottom

third of countries in the world in its tree coverage. For a country that was once entirely populated by trees, we are in a position where we are seeing species decline.

Q67 **The Chair:** I think we understand that.

I am still a little bit baffled. The late great architect Lord Rogers of Riverside used to say, "The thing about brownfield land is that you never run out of it". It sounds paradoxical but, when you think about it, it is true. There is always another building you can knock down and replace and put something new on it. When you have knocked everything down and replaced it, you can start again. That is what architects do. The argument that you should look at the grey belt only when you have developed all your brownfield land, if Lord Rogers was around, would be an argument for never developing grey-belt land because you would never run out of brownfield sites.

I am sorry if I am taking up too much time. I have a question for Avril, which has been suggested to me by Kelvin. What, in the current definition, stops former developed agricultural sites from being counted as grey belt? You want the definition expanded to include it, but is it not included already?

Avril Roberts: Agricultural sites, as now, are specifically excluded from counting as previously developed land.

The Chair: Are they?

Avril Roberts: There is a specific exclusion of them in the National Planning Policy Framework. The current definition of grey belt is that the site has to be enclosed by a built-up area. That is unlikely to be the case for redundant agricultural sites, unless they happen to be in a village.

If I might come back to the conversation about brownfield and land that has already been released from the green belt, what we have seen is that land that has been released from the green belt has then pushed the green-belt boundaries further away. There are rural areas that have been entirely engulfed by the green belt, counterintuitive to the original purpose of the green belt, which is to prevent urban sprawl.

On brownfield, the most recent figures that we have are that only 10% of the housing that can be delivered on brownfield sites will be in rural areas. That is partly because redundant agricultural sites are not included, but also because there are generally fewer previously industrial sites. There are fewer ex-car parks and ex-petrol stations in rural areas. By restricting ourselves to developing previously developed brownfield land, with the current definition under the grey-belt proposals of there being substantial built development and entirely enclosed, we are continuing to leave rural areas behind, particularly those that have been engulfed by the green belt as it has spread.

We have a solution for that spreading of the green belt. We think that there should be settlement boundaries introduced, as they exist already within local plans. I know that South Cambridgeshire has already done

that with its green belt and drawn settlement boundaries so that if a site is within that it is not considered to be in the green belt. We need that organic growth of rural settlements, even though there is a green-belt restriction.

Something that has come up a few times is that, because the sites that we are talking about in rural areas are more likely to be green fields, it is important to remember that the green belt was never intended to be an environmental designation, just because the sites have environmental value. There are other ways in planning policy to protect the environmental quality of those sites, such as through biodiversity net gain. Green belt is to prevent urban sprawl.

The Chair: I appreciate what you are saying about the purpose of the green belt; it is not a site of special scientific interest, for example. We have other designations that cover that and we have the green belt. But we have a definition of the purposes of the green belt today, so we will stick to those as the definition.

I will come to Lady Warwick of Undercliffe in a second. I will just deal with an administrative matter. We have been joined by Lady Eaton.

Baroness Eaton: Hello. Sorry for the lateness.

The Chair: We have not allocated a question to you. I will give you a chance to ask a question later.

I have to say, if I may, that if you speak or ask a question then you must begin by declaring any interests that you have in the subject of the inquiry, as this will be your first participation in it since we started. Please feel free to jump in at any time.

Having dealt with that administrative matter, I now come to Lady Warwick.

Q68 **Baroness Warwick of Undercliffe:** I was very interested in exploring the points you were making about viability. We have come across that many times before, and I think it is probably relevant to my question. Do the current proposals for grey belt give local planning authorities sufficient power to balance housing needs with the other needs of their local community, such as accessibility and community services?

Alex Sherman: My view is that, at the moment, the planning system does not provide the local planning authority with the powers that it needs to be able to deliver the housing that it has identified as being needed in Bath. I can obviously speak only on a very specific level.

Baroness Warwick of Undercliffe: You mean the current system does not.

Alex Sherman: The current system does not, and neither does the revision. There is a huge disconnect between the 77% of need in Bath and the buildings that have been delivered in the last 15 years. What we

are beginning to see is a higher level of second home ownership in Bath, for example. That is locking a lot of people out of the system.

I do not object significantly to the grey-belt proposals, but I do not think they get to the core of the problem of housing in the UK and the cost of it. We obviously have an undersupply. In Bath, we have had a slight oversupply compared with the national average, but the sorts of buildings that are being built are not affordable because of land prices in the green belt, the grey belt or brownfield sites.

I reference sites that have been built on the green belt. One of the MoD sites, for example, had a 20% affordable housing allocation. It provided a primary school. It is on the outskirts of Bath. The expectation in all the modelling suggested that the primary school would be fully occupied by families moving into the estate. The school has just closed after four years because there are not enough students going into it. What we are seeing is that the families in affordable housing wanted to use the school, but the rest of the people buying what is quite high-quality, good and well-thought-through housing are older people who can afford the exceptionally high prices there. That has closed the school. People who moved into affordable accommodation on the outskirts of Bath now have to foot additional costs in getting their children to schools that are further afield. It risks the sense of community that was expected in that location effectively being dissolved. This is my concern.

The Chair: But is that not a failure of the planning model? It just assumed that there were large numbers of young couples, when they had only to look around them to see that there are large numbers of elderly people nowadays.

Alex Sherman: This is a new housing development. The expectation was that the housing would be moved into by families. We have had only five years of occupation and the business model for the school no longer works.

The Chair: I understand that, but it is a failure of planning to foresee and look at the data.

Alex Sherman: It is a failure of planning.

Baroness Warwick of Undercliffe: Was it also a matter of price?

Alex Sherman: It is also about price.

I will take a different development that is going through the system at the moment, on the south side of Bath, where the average four-bedroomed detached house is £1 million. With all the best will in the world, unless something is done to tackle the house prices because of land prices, I do not think the grey-belt measures or the green-belt measures, or the brownfield measures for that matter, are going to work until we see the level of supply that we need coming into the system. I do not have great confidence that this really tackles the cause.

I have a suggestion for how we might deal with the economic viability assessment. I work for a charity, and we are a highly regulated industry. One of the flaws of the viability assessment is that it undertakes a viability at market price in advance of the build taking place. If there was a post-build economic viability assessment or audit that evaluated the real costs, we might see some windfall opportunities for surplus profits.

I can give a tangible example. In 2024, this year, there was a viability assessment done for a high-rise building in the centre of Bath. It is expected to be completed in 2032. During that time, house price inflation is expected at 22% and CPIH inflation is expected to be at 8%. The differential for the cost of that development is £38 million windfall profit by the time the development is realised.

Unless there is a post-build viability audit, none of that windfall profit will be seen in the public domain. We could safeguard the profit margin of the business—

The Chair: But what you are effectively doing is saying to the developer, “You are now simply an agent of the state, and you will work on a fixed profit margin. You won’t have any risk because, whether prices go up or down, it doesn’t matter; you will get this fixed amount of money”. There will be no private sector involved at all. That is not a private sector activity. It is not a market in any sense.

Alex Sherman: I would take a slightly different view from that.

The Chair: This is going well beyond the grey belt, if I may say so. We have heard your view—it is not the first time we have heard this—that the grey-belt proposals are unlikely to make a huge contribution to addressing the identified shortage, certainly in the Bath area, and possibly more widely.

Alex Sherman: Do you mind if I briefly respond to that point?

The Chair: The last point. Is that a fair summary? Go on.

Alex Sherman: The viability assessment is effectively a licence for a developer to build within an urban area. In that viability assessment there was a 17.5% profit margin provided, which covered all the risk and all the addition. If we genuinely want to make a real impact, and to shift the balance of housing in the UK overall, we need to look at bolder measures.

The Chair: This is an inquiry into the grey belt. I am trying to come back to the grey belt and the issue of viability.

Q69 **Baroness Warwick of Undercliffe:** I have a very specific question for Avril. Taking on board the point about local authority powers and decision-making, to what extent will differences in decision-making between local authorities affect landowners’ ability and confidence to put their land forward for grey belt development?

Avril Roberts: We know that planning has been, and continues to be, a postcode lottery in some cases. That is partly down to differing levels of resourcing among local authorities. It is also about how much planning committees rely on representations. We think that it could impact landowners' confidence in putting forward sites, particularly if grey-belt policy and national policy are not set out clearly enough.

Landowners take a risk when putting forward land for development. It is often assumed that landowners are a silent partner and that they get out quite quickly. What we see, particularly in rural areas, is that landowners are part of the communities in which they are trying to develop. It is not just a financial and time risk of putting land forward for development; it is also a reputational risk. If they are not certain that the land will come forward for development, they are less likely to take it.

We have a proposed solution for that. We think that there could be a grey-belt register. It would operate on a similar principle to the brownfield register, but it would bring in elements of existing planning policy of permission in principle. We think there could be a part 1 register of potential grey-belt sites. It would help us with some of the questions asked this morning about how many houses could be delivered on grey belt if we had a list of the sites that fit the definition. You would then submit, as you would for permission in principle, an idea of what the site might look like. That would then get permission in principle to sit on part 2 of the register. Once your site is on part 2 and once you have submitted technical details, it is assumed that your site has planning permission. That would give landowners and developers more confidence that they are taking an appropriate risk. There are, of course, still elements of risk, but that would give them more confidence.

Baroness Warwick of Undercliffe: I do not know if there is anything you want to add, Alex. It is not a relevant question for you, is it?

Alex Sherman: Sorry; could you repeat the question?

Baroness Warwick of Undercliffe: Because you are based in Bath, I was simply saying that I do not think it is particularly relevant. I was asking about the way differences in decision-making between local authorities might affect landowners' confidence to put forward land.

Alex Sherman: No.

The Chair: Bath is all within one local authority.

Baroness Warwick of Undercliffe: Yes.

Q70 **Baroness Andrews:** My question is to both our witnesses. We have heard about the issues of sustainability and the way that the grey belt may raise different issues of sustainability. Do you have any general comments on that particular aspect of the grey-belt proposition?

Secondly, do you think that there might be sites where sustainability will be more easily served? The Government offer redundant land around

petrol stations, for example; another of our witnesses talked about development around railway land. There are both general and specific aspects. Avril, do you have any thoughts or experience of that?

The Chair: To be clear, by sustainability, I think we are talking about the sustainability of the community that comes into existence on the site, rather than what might be called environmental sustainability. Will it work as a community?

Baroness Andrews: Yes.

Avril Roberts: We know there have been difficulties developing in rural areas; sustainability is often raised as an issue. A lot of villages and settlements are deemed unsustainable because they have perhaps lost their bus service or their primary school. What that fails to recognise is that they lost those services because there has not been development. We heard the example earlier about a primary school. There has not been a continuous churn of population to support those services.

We would like to see a switch of the balance of sustainability, dealing with paragraph 11 of the National Planning Policy Framework and reassessing sustainability on what could be enabled if the development was brought forward. For example, if you have organic growth, there will be a continuous churn of population. There will be families moving in to support the primary school and potentially to support the bus service.

We need to move away from the traditional realms of what sustainability is. With the advancement of technology, people are becoming less reliant on being close to, say, banking hubs. I am not saying they are not still important, but actually we have moved on from that. I think we should switch sustainability to asking whether you are close to an economic centre, or to industry and jobs, which could include farming.

You need to enable those homes, by looking at a cluster of settlements, and all those settlements delivering housing. Shropshire has a really good example of judging sustainability as a cluster of settlements and what could be enabled if you bring developments forward. What we are at risk of doing again is leaving rural areas behind because they have lost services through no fault of their own.

The Chair: Is it not very often the rural village that is most vocal against new development or an extension to the village, inevitably on agricultural or open land? You suggest increasing the size of the village by 20% through extension, and there are lots of arguments for it, including those that you put forward, but those are the ones that very often produce the biggest backlash.

Avril Roberts: It is probably a very vocal minority. The silent majority would actually support those developments. Quite often, if the landowner is putting land forward for development it is because they need housing to support their rural business, or they see the needs of the communities. Often, the people who would support the development have already moved away because there has been no development in the past.

It is true that there are difficulties developing in rural areas, where you have nimbyism—for want of a better term—but there are things that we think could be implemented. For example, there is our grey-belt register. If the site is given permission in principle and is on that register, the ability for a very vocal minority to say no to the site could be overcome. Again, it is a churn of population.

Baroness Andrews: I am listening hard. It seems to me that you have exposed the paradox around rural policy. You need housing, but those issues always arise.

May I ask Mr Sherman for his comment on the sustainability of the community question?

Alex Sherman: On sustainability, we would expect that any development ought to consider the needs of the people who would want to live in that development. There are, of course, fundamental elements, such as introducing comprehensive drainage systems. We know, for example—a specific issue to Bath—that the green-belt sites and the grey-belt sites are on the hills that surround the city. We know as well that there have been excessive flash flooding issues that have affected Bath. The loss of green-belt and grey-belt sites as an important ecosystem resource for managing floodwater is very significant. We would need to make sure that that is a consideration if any sites are to be developed, and that before any housing development or building takes place, we have good drainage systems and services provided for communities.

It is important that, for developments over a certain size, community facilities are provided to help create the bonds and ties of communities. Quite often what we see now, certainly on the fringes of cities, are 300 or 400-home developments without any community spaces and reliant on their next nearest community. It makes it incredibly difficult for people to create the common ties of what makes a community. Ultimately, we know that, if people feel part of a community, they are more likely to stay in that area, they are more likely to feel invested and they are more likely to invest more.

I am interested in the concept of how we make sure that new housing is going to the people who need housing. This is a very specific issue. We are aware that people are buying second houses as luxury accommodation. Some 900,000 households in the UK own a second property, and 435,000 of those properties are in the UK. Those 435,000 buildings are owned by people purely as luxury places to go to at their will; they are not renting them to other people.

If we are going to develop green belt and grey belt, I would be in favour of the concept of having a covenant that protected the sale of houses for the first 30 or 50 years of their life, to be sold to people for whom that is their only property.

Q71 **Lord Bailey of Paddington:** I am going to start with Alex and then I will come to you, Avril.

Is the existing transport infrastructure flexible enough to accommodate the additional demands of grey-belt developments, even when those developments are not at the urban edge? You talked about the development of a primary school and how people now have to travel in and out. How does transport mitigate that impact, or does it?

Alex Sherman: Transport can mitigate that impact. In the past, I have been a community transport commissioner for a local authority and involved with the delivery of public transport. Public transport has a really important role to play.

Typically, you would expect that people do not start to trust the service unless they know it is going to be there in perpetuity. There are undeniable issues about the failings of transport, but those are minor. Yes, a sustainable transport system is fundamental to the success of a community.

As to what that means as a sustainable solution for people, it goes back to the earlier point about affordable housing. There is a difficulty with having large communities on the fringes of cities, where it becomes very expensive. Proportionally, a much higher proportion goes into paying for travel costs to get into a primary work base for people who are on lower incomes. Transport is fundamental but let us not lose sight of the fact that, if all or a lot of the people who are on lower incomes are on the outskirts, transport becomes a very significant part of their daily expenditure. I question whether that really makes it a sustainable community.

Lord Bailey of Paddington: But does it have to be expensive?

Alex Sherman: It does not. But for someone living on minimum wage, paying £4 for a return—or, as it is now, £6—that is a significant proportion of expendable income.

Lord Bailey of Paddington: Is that not the overall cost? London is a huge place. Many of the poorest communities are on the edge of London, but those communities are viable because their housing is significantly cheaper than in the middle, and even when you factor in the transport costs it is still cheaper overall.

Alex Sherman: That is undeniably true. I go back to my original response, which was that if there is sustainable transport that is guaranteed and underwritten, I think communities on the fringes of cities can absolutely be viable.

Avril Roberts: I do not think you will be surprised to hear that I will say rural areas and transport are different. One of your previous witnesses at another evidence session suggested that, for development to be sustainable, it should not be more than two kilometres away from a rail or bus transport hub. That would preserve in aspic thousands of our rural communities; they would never again see any more development.

I come back to my earlier point about sustainability. A lot of our members are trying to develop sites in their rural area to support their businesses and to support their rural business workers. If you are building properties that are close to areas of work—in rural areas it is very common to live and work locally—transport is still an issue but it becomes less of an issue if you live close to where you work. If there are primary schools supported by new developments, transport becomes less of an issue.

We need to recognise that, in rural areas, it is not as though all the people have moved out of London. They are not expecting there to be a big rail or bus hub two kilometres away. It is more acceptable that you might have to travel a bit further to reach those services. That is part of what our rural communities look like.

As I say, if we get sustainability right and reassess what it means, we will move away from assuming that it means being two kilometres away from a transport hub and is more about being close to your job and your community.

Lord Bailey of Paddington: This question is to both of you. In any of your work have you calculated the tipping point for having a sustainable transport system or sustainable development, so that there are enough people to make sure that transport is available in perpetuity—so that it washes its face, as is the term? Have you had a look at that? Do you know what that looks like in your area?

Alex Sherman: I refer to what we have seen. When developments are taking place, new transport systems are not necessarily initiated. There has definitely been an improvement recently, in the last two years, in what transport is provided in the area. The difficulty is that the transport providers will provide a subsidised service for as long as the subsidy is there, but it does not necessarily make the service viable.

Two years ago, we saw services withdrawn across B&NES despite the petitioning of the local council to the transport provider, simply because there was not necessarily the demand to make them viable. That is the only practical example I can give you.

Lord Bailey of Paddington: I understand that that is the reality of the situation.

Alex Sherman: The only thing to say to follow up on that, and this is a personal experience, is that I live 19 miles away from Bath and the bus takes two hours each way to get there. If the bus does not turn up, for whatever reason, and I am left stranded, there is no recourse to the bus company to take issue with that. There never has been.

People have to trust bus services to be there. I have lived and worked in rural communities and know that people have to trust that a bus service will be reliable and will be there to pick them up. The number of times I have gone out to pick my son up, or my wife has had to pick me up,

because we have been stranded due to a bus not turning up, and it is the last bus, is really problematic. That is the reality of isolated rural communities.

Q72 Lord Bailey of Paddington: Let me pose this question to you both. What is your assessment of the 50% affordable housing target? I will start with you, Avril.

The Chair: I think we have had Mr Sherman's assessment of it already, but I am interested to know how you think it will work in the countryside.

Avril Roberts: In some areas it will be achievable. There will be high market house prices to cross-subsidise the 50% affordable housing. Where we are concerned about it is not to do with the financial viability of delivering 50% affordable housing but the deliverability of it where you have a mixed tenure development with 50% affordable housing. On the types of sites our members might be providing in rural areas, it might be just 10 homes on a grey-belt site. That is five potentially affordable homes. Finding a registered provider willing to take on five Section 106 affordable homes—in their eyes not additional—is difficult. That makes it very difficult in the deliverability of the scheme to find a forward funder for those homes, and somebody who wants to take on the management of them in perpetuity.

Again, we have a solution for that. The current definition of affordable housing for rent in the National Planning Policy Framework restricts the providers of affordable housing for rent to be registered providers with the Regulator of Social Housing. That restricts landowners who may want to provide affordable housing for their community, many of whom already do so, and it restricts community groups, such as community land trusts, bringing forward affordable homes for rent. In some areas, on larger sites, 50% affordable housing might be deliverable, but in rural areas and smaller sites we have major concerns with that.

Lord Bailey of Paddington: Do you think it would be helpful if it just said that the developer could manage those homes as long as they were below a certain number—say, 10 or 50 houses, or whatever the arbitrary figure was?

Avril Roberts: We have not set an arbitrary figure. About 23% of properties owned by CLA members are at less than 80% of market rent. They are within the private rented sector, but they would fit into the definition of affordable housing. Those members have a range of between two homes and over 100. The size of the development does not necessarily relate to how well they can manage the affordable homes.

We need to look at which type of sites we are developing under the grey belt. In rural areas, there is a planning route to delivery called rural exception sites, which usually deliver 100% affordable housing with an element of market subsidy provided as well. It is not a widely used policy because of the difficulty with lack of registered providers willing to take on those smaller sites. We need to learn the lessons from rural exception

sites and why they are not developed: the cost of planning applications; the time for applications; and difficulties with local planning authorities assuming that greenfield sites should not be developed—and that will be even more of an issue in potential green-belt areas. We need to learn lessons and put them into the grey-belt proposals.

Baroness Miller of Chilthorne Domer: Before I get to my main question, I want to ask Avril, who mentioned a register of grey-belt sites, whether she has discussed that more widely and if it has had any support.

Avril Roberts: We have not discussed it with any planning authorities. Our members would certainly support it because of the risk it removes. We would like to see wider use of permission in principle more generally. It gives developers and landowners confidence. The short answer to your question is no, we have not discussed it more widely than with our membership, who we are obviously here to support.

Q73 **Baroness Miller of Chilthorne Domer:** This is a question for both of you. Are there likely to be any unintended consequences from grey-belt proposals as they are currently drafted?

Avril Roberts: As currently drafted, we think we are at risk of leaving rural areas behind. In the proposals there are three points that we think could be easily fixed so that rural areas do not get left behind. I have discussed one of those already, which is the inclusion of redundant agricultural sites.

The second point is about what constitutes substantial built development. That is not defined anywhere. A potential consequence, as a member of the committee mentioned earlier, is that there will be a difference of opinion between local authority boundaries. We suggest that that needs to be further defined to match up the existing planning terms of major developments. That would be 1,000 square metres. We think it is relatively small; it is a quarter of an acre. That would remove some of the uncertainty that could lead to rural areas being left behind.

In the proposals at the moment there is a definition, “urban land uses”. That is not a recognised planning definition, so there is a risk of leaving rural areas behind. We think that should either be defined through examples or that it should also say, “rural land uses”, to include agricultural buildings.

Alex Sherman: From my point of view, one of the things I would really like to see is the need for communities to be absolutely written in and hard-wired to the concept of what is defined as grey belt. There is one very specific example. We still see a term that no longer sits in the NPPF, which is about viable communities. Some villages are still being bypassed for development on what would have been greenfield sites because they have been previously labelled as unviable villages. I would like to see that process changed.

I have already made it very clear that we need to retain the principles of urban regeneration, and to recognise the reason why the green belt was there, which was to stop urban sprawl and protect the setting of historic cities.

I would like much more definition about what grey belt means in real teams and much more definition about how communities are involved at the beginning in what is going to influence them on their fringes. Those are the people who will want to move into that housing or have their children and families move into it. We should be rebuilding the sense of what a community looks like. There is undeniably a huge issue that we need to free up, but being able to centre people in the communities in which they live is a very powerful argument.

Overall, with the NPPF, I think specificity is important. Far too much is passed on to local planning authorities. We talked earlier about what makes an area sustainable. Herefordshire, for example, as a local planning authority has a commitment for any development over a certain size to make contributions to secondary healthcare. That is not written into local planning authority guidance or policy in other parts of the country. We see very variable application of how local services are supported. I would like that to come nationally, rather than being delegated to a local planning authority.

Q74 Baroness Andrews: My question was about the specific changes that the two witnesses would like to see, and I think it has been answered, unless there is anything that they would like to add. We have just heard very good responses to that question.

Avril Roberts: Might I add one thing that has not come up yet? One change that we would like to see is not to exclude national parks and landscapes, and other Article 2(3) land, from using grey-belt sites. These areas have been consistently left behind. One example is the South Downs in East Hampshire. East Hampshire's housing needs targets are going to double by 2040. Half of its land is within the national park, yet the national park intends to deliver only 60 of those houses per year, leaving over 1,000 homes to be found elsewhere.

Housing within national parks attracts a premium of about 25% because of lack of supply. If planning is done properly, and if those homes are delivered sensitively, we see no reason why those areas should be excluded from using grey-belt policy.

Baroness Andrews: Have you discussed that with the Campaign for National Parks and the National Trust?

Avril Roberts: We have discussed development within national parks for a long while, including the use of permitted development rights to deliver housing in national parks. It is no surprise that some are more open to it than others. There are some national parks that recognise that they have a housing need, and we are aware that there is reluctance from some.

Q75 Lord Mair: You have indicated that you would like to see agricultural

land that is now redundant— redundant in the sense of being used for agriculture—included in the grey-belt definition. That being said, would there be any measurable effect on the amount of food that can be produced in the country by the grey-belt thinking and that definition? It probably does not make much difference to food production, does it?

Avril Roberts: To go back to my earlier statistic, even if we developed 10% of agricultural land that is within the green belt, it would be less than 1% of agricultural land overall. It is not really a measurable impact.

The Chair: We will now bring the evidence session to a close. Thank you very much indeed for your time and for engaging with us.