

## Written evidence submitted by Community Planning Alliance [RNP 012]

1. To save the Committee time, we begin by supporting and endorsing the written evidence submitted by LINK, the Woodland Trust and Shelter (except, in the case of the latter, the recommendation to remove hope value, which is something we have concerns about due to the potential creation of an unfair, two-tier market. Our position is that IF hope value is to be removed, it must only apply for brownfield schemes that deliver social housing).
2. We support the aims of the Levelling Up and Regeneration Bill (LURB), for a genuinely planned system, stronger voice for communities, community infrastructure by developers, clear design standards that reflect community views, enhanced protections for our precious environmental and heritage assets. The aims of the Community Planning Alliance are for greater community participation, better environmental protections and right homes, jobs & infrastructure in the right places.
3. In addition to the submissions that we reference above, we welcome the changes proposed in the NPPF which reduce the impact of the presumption in favour of development under paragraph 11d, because the changes redress a balance that gives house-builders too much power. By reducing the pressure on councils, a plan-making system will be more likely to prevail.
4. The soundness test 'justified' must be re-instated in the NPPF. Local authorities must be required to explain their proposals and support them with evidence.
5. Contrary to what we are hearing from the development sector, we do not believe that the change of wording in the NPPF to make housing targets advisory will have a significant impact on housing delivery. It will simply enable local authorities to take a more evidenced approach to target setting, with less fear that a planning inspector will be pressured by ranks of developers at Examination in Public to agreeing targets upwards. We also believe that those councils who have paused plan-making have done so because of legislative uncertainty, not necessarily simply so that they can choose the lowest target possible. That would happen with any change of legislation.
6. We remain concerned that the Standard Method is not fit for purpose, most strikingly, in its continued reliance on 2014 household projections. Not only have more recent projections shown a steady slowing in population growth, but now Census 2021 results paint an even clearer picture of the situation. Note that the 2014 household projections foresaw 24,400m households in England in 2021. In fact, the Census showed that only just over 23,400m existed, a 4% reduction. There is no evidence that this is due to concealed households, as household sizes have remained steady. It is imperative that the previous guidance, to use most up-to-date projections, is reinstated so that the general public can have faith in the targets being set.
7. Further, we do not believe that the affordability ratio helps to address affordability – it looks at workplace earnings only. It assumes a single income. It assumes the private market will solve the affordability problem. And it is too simplistic for a complex situation. There are many factors that have driven house price rises in recent years, not least (still) historically low interest rates, government policy (Help to Buy) and Stamp Duty Holidays. For houses to be genuinely affordable, as Shelter and your committee have pointed out, there will need to be a significant programme of social housing construction. Schemes such as 'Affordable Rent' and 'First Homes' are out of reach for too many of those they allege to help.

8. While we do believe that growth should be urban focused, ideally on brownfield land, high density (not high rise...), and transit-oriented growth with 20-minute neighbourhoods, we believe that the 35% urban uplift is entirely arbitrary and should be evidence based. Equalising VAT on brownfield and greenfield would do more to encourage regeneration than any target.
9. We recognise that National Development Management Policies have their benefits, as stated by the government. However, we wish to ensure that they provide a baseline in policy that local authorities are able to improve on and that consultations are held before NDMPs are adopted.
10. Engagement. We are firm believers that communities must be fully involved in plan-making. We believe that the planning system must insist upon Gunning principles of consultation. And we seek a shift in mindset from the approach favoured by local authorities of 'Decide Announce Defend' (DAD) to 'Engage Deliberate Decide (EDD). By giving options early in a process, before a decision has been made, best outcomes can be arrived at, and community engagement improved.
11. **Infrastructure Levy.** We understand why the new Infrastructure Levy is proposed and it is right that they system should be simplified, standardised and less easy to game. That said, what is proposed under the current consultation will lead to further levels of complexity and will retain opportunities for developers to call the shots. Now FOUR things will be able to happen:
  - a. Integral infrastructure via planning conditions. Infrastructure 'integral' to the successful functioning of a site, such as on-site play areas, site access and internal highway network or draining systems, will be delivered by developers and secured through planning conditions.
  - b. Integral infrastructure via Delivery Agreements. Where this is not possible, 'integral' infrastructure will be delivered through targeted planning obligations known as 'Delivery Agreements'.
  - c. Levy funded infrastructure. All other forms of infrastructure
  - d. Section106 will be retained. Confusingly, s106 is said to be both for 'restricted purposes' but yet also for each of the three 'routeways' under which sites will come forward:
    - i. The core routeway. The majority of schemes. The Levy will function as a cash-based system where rates and thresholds apply. S106 agreements will retain a restricted function, limited to securing matters that cannot be conditioned for.
    - ii. The infrastructure in-kind routeway. On the largest and most complex sites, often with unique infrastructure requirements, s106 agreements can be used to deliver infrastructure as an in-kind payment of the Levy.
    - iii. The s106-only routeway. Sites where Gross Development Value (GDV) per m2 cannot be calculated, or where buildings are not the main focus of development, such as minerals or waste sites, will not be subject to the Levy. Planning obligations will apply as now.
12. The levy as proposed is too complex to be effective, and needs to be simplified further. Our recommendation would be to base a levy exclusively on Gross Development Value so that a fixed overall sum is known to be due. (Decisions on infrastructure should be made on a cautious view of gross development value, knowing that more money could be collected if GDV rose.) The developer would still deliver the infrastructure set out above, with a pre-agreed sum to be removed from the eventual levy.

13. **Environmental Outcomes Reports.** In addition to what LINK has submitted, we believe that alternatives are a very important part of an environmental assessment. While the EOR consultation does make it clear that appraisal of alternatives is important. Government needs to go further. Alternatives must involve stakeholders long before decisions are made. This will be more challenging as it will require project promoters to shift from the presentation of a done deal (DAD), with often perfunctory dismissal of other options, to an open discussion approach (EDD). Enforcement of EOR's will be crucial, with funding and training of enforcers a likely issue. We suggest that development proposers should have to pay a sum into an escrow account at the start of a project, to be returned to them in, say five years, when environmental outcomes can be checked. If the project does not deliver then the money is not returned.
14. **Land Use Framework.** There must be provision in the LURB and in the NPPF for synchronization with the Land Use Framework that DEFRA is working on further to the Food Strategy.
15. **Green Claims Code<sup>1</sup>.** We believe that the 'Green Claims Code' must be extended to public bodies and the development sector. It requires that claims must be truthful and accurate; clear and unambiguous, not omit or hide important or relevant information; be fair and meaningful with comparisons; consider the full life cycle of the product or service and be substantiated. There is absolutely no reason why these very same principles cannot be applied to environmental claims that are made in relation to the planning system. It is wholly unacceptable that organisations can publish documents which contain biased, inaccurate or misleading information, about which significant decisions will be made, including those that will negatively impact local residents.

*March 2023*

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<sup>1</sup> <https://www.gov.uk/government/publications/green-claims-code-making-environmental-claims>