



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

1<sup>st</sup> October 2020

Dear Sir/Madam,

### Response to Consultation – Changes to the Current Planning System

The following comments form the basis of a consultation response to the Changes to the Planning System from the West Sussex and Greater Brighton Strategic Planning Board.

#### **Introduction**

The West Sussex and Greater Brighton (WS&GB) Strategic Planning Board represents the local planning authorities of Adur, Arun, Brighton & Hove, Chichester, Crawley, Horsham, Lewes, Mid Sussex, the South Downs National Park Authority, and Worthing, together with West Sussex County Council.

The constituent authorities ('the Group') have been working together for several years and have prepared award winning Local Strategic Statements (LSS) to set out long term strategic objectives and spatial priorities for delivering housing growth in the short to medium term. The Board is currently preparing the third revision to the LSS (LSS3), a non-statutory strategic planning framework to explore options for meeting the area's unmet needs for housing, employment and infrastructure as far as possible given the constraints of the area. This history of joint working, and the range of authorities involved (urban, semi-rural, and a National Park) gives the group a unique perspective on the proposed changes and their potential impacts.

As such, the Group has prepared a joint response to 'Changes to the Planning System' which focuses on particular elements of shared interest. (Please note that the constituent authorities are likely to also submit individual responses; the WS&GB response set out below is a collectively made high-level response to be taken without prejudice to the individual authorities' responses).

## **Impact of Standard Methodology**

The group is concerned at the significant increase in numbers generated by the proposed revisions to the Standard Methodology ('SM2') which appear to have arisen due to the increased emphasis on affordability.

The WS&GB authorities agree that affordability is an important factor to consider in addressing housing needs. However, it is seriously questioned whether this can be improved simply by increasing delivery - particularly in areas such as this with significant development constraints. The relationship between affordability and housing supply can be influenced by many factors - for example, the ability to borrow money cheaply (or otherwise), or the rate at which developers build out their developments (which local authorities have limited influence over). In attractive parts of the country such as this (and indeed within protected landscapes such as the South Downs National Park), which are recognised for their quality of life, an increase in delivery will not necessarily improve affordability for local people (particularly given the likely increase in households leaving urban areas such as London, post-Covid). There is a danger that affordability levels will in fact either hold steady or worsen, due to the ability of incoming households to pay higher prices. As such we consider that a more nuanced approach to affordability is required.

Furthermore, affordability should not be the only principle in determining housing growth; the formula-based approach should be tempered not only by physical constraints, but also the relationship between homes and economic development, and the need for sustainable forms of development. The Group is greatly concerned that these vital elements are losing prominence in the planning process.

For many years it has been recognised that coastal authorities, along with Crawley, have been unable to meet their future housing needs. Government appointed Inspectors have accepted that local authorities such as Adur District, Brighton and Hove and Crawley Boroughs are physically constrained, with the coastal authorities being located between the South Downs and the sea and Crawley's small size and constraints such as aircraft noise and have been unable to meet their future housing needs. A similar situation exists across Worthing Borough, and these combined coastal authorities, as well as Crawley, result in a significant shortfall in housing provision. The proposed SM2 approach serves to continue an undeliverable and unsustainable level of growth, creating additional pressure on surrounding authorities. Those authorities that are less constrained have already taken on elements of this shortfall as far as possible through the proactive and ongoing Duty to Co-operate work undertaken throughout the Group area.

The particular challenges presented by the physical constraints in our own area, should be fully taken into account to ensure that a realistic and deliverable annual housing target. To further illustrate this point, in addition to the physical location matters indicated above, over half of the land of West Sussex is designated as protected countryside; this high percentage is due to a large part of the County falling within the National Park and two other designated AONBs (Chichester Harbour and the High Weald). West Sussex also has numerous other local, national and international environmental designations across the area as well as other designations that affect the ability to deliver significantly higher levels of growth.

As such, the WS&GB authorities welcome the proposal in 'Planning For the Future' to introduce consideration of constraints into the determination of housing targets. However we would welcome more detail as to: how local evidence will be considered; what involvement Unitary authorities, Districts and Boroughs will have; which constraints would be included; how the quantum of 'discount' would be ascertained; and whether this process would be undertaken at a national or local level. We also urge that other, less immediately obvious constraining factors are considered, for example the ability of the residential market to absorb unprecedented levels of housing growth and highly valued non-designated landscape assets. In addition infrastructure planning and delivery must be considered; increased growth which does not take into account infrastructure capacities could put significant adverse pressure on existing facilities and services. The current plan led system, supported by the preparation of Infrastructure Delivery Plans prepared in co-operation with developers and infrastructure providers, allows for necessary requirements to be planned, funded and delivered in a timely manner. This approach could be undermined if rapid growth takes places without sufficient consideration of these matters.

If the constraints are factored in at national level, we believe that local authorities should have the opportunity to comment on a draft figure, and if necessary, challenge it where they consider evidence indicates that the proposed figure would have significant adverse impacts or where they consider locally specific constraints have not been taken into account.

Please also note that as the figures proposed in the revised Standard Methodology are published at a district level rather than for the Local Plan area, it is not clear how the methodology should be applied in those cases where the Local Plan area is not contiguous with the Local Authority area - for example, those authorities which have part of their area covered by a National Park, as is the case in the WS&GB area. Clarification on this point is required.

Furthermore it is widely accepted that a large number of dwellings have been granted permission, but not built out. (See Letwin Review). Without addressing this matter, it cannot be guaranteed that amending the Standard Method will actually result in the delivery of the number of homes predicted.

## **First Homes**

For much of the WS&GB area assessments of housing need have consistently indicated that the greatest need is for (social) rented affordable housing and that discounted market housing or shared ownership are not genuinely affordable for the vast majority of households on the local Housing Registers.

Local Plan policies have been developed (and tested at examination) to reflect local housing needs, development viability considerations and the availability of funding. As a result policies reflect the need to provide a higher percentage of rented accommodation.

The requirement to include 25% First Homes as a fixed proportion will inevitably reduce the potential to secure other forms of genuinely affordable housing through developer contributions. We remain concerned that applying a national requirement for 25% First Homes does not reflect the local affordable housing need in the area and reduce the ability of local authorities to address local housing needs. If a quota of 25% First Homes becomes a national standard, the Group would prefer that this forms part of a policy requirement for intermediate housing in order to continue to maximise the provision of other tenures.

## **Supporting Small and Medium Sized Developers**

There is great concern that the proposed amendment to the threshold for seeking affordable housing, will significantly reduce the ability to secure affordable housing via s106 obligations throughout the WS&GB area. In many of the local authorities within the group (including the South Downs National Park), much development has historically come forward on small and medium sized sites which make up a significant and important part of the housing supply. Removing this ability (even temporarily) will reduce the number of affordable homes, worsen affordability, and increase the number of households on Housing Registers.

As an illustration, it is estimated that this proposal would result in a loss of approximately 250 affordable dwellings in Arun district alone – and potentially up to 1,000 over the Group area.

The proposed approach seems to be based on an assumption that these ‘smaller/medium sized’ sites are less viable; however this assumption is not borne out by viability work undertaken by the constituent local authorities in the Group.

Maintaining the current approach (Question 18 option iii) would allow the threshold to remain at 10 dwellings, or another figure (potentially lower or higher) as set by local authorities based on local evidence (including viability evidence and local need) and tested at examination - thus ensuring appropriate scrutiny and that local circumstances are fully addressed - which cannot be undertaken at a national level.

The group strongly believes that the economic downturn currently being experienced will in fact exacerbate affordability and increase the need for affordable homes; more affordable dwellings are urgently required throughout the area. The proposed approach - even if temporary - will adversely affect the ability of the local authorities to respond to local households in housing need.

As such the group welcomes the proposed approach to setting thresholds in rural areas (Q22). Certain parts of the WS&GB area are designated rural areas, which experience high levels of housing need. (For example, over 60% of homes delivered in the South Downs National Park are on sites of 10 dwellings or less). In addition, delivery of affordable housing on small sites has also been a key driver for communities preparing Neighbourhood Plans. (As an example, there are 31 'made' Neighbourhood Plans in the South Downs National Park area, the vast majority of which allocate housing sites below the 40 – 50 dwelling threshold affordable homes to meet local needs).

### **Permission in Principle**

With regards to the proposed changes to Permission in Principle (PiP) the group is concerned that these will limit the ability of the authorities to positively influence development. Major development both requires, and benefits from, the scrutiny provided by the existing planning application process. This also ensures the delivery of appropriate and timely infrastructure. Lack of public scrutiny will reduce the opportunities for the public to comment on aspects of development at the 'in principle' stage, which is likely to decrease public confidence in the planning process. Furthermore this change would mean that LPAs have to determine the acceptability of development based on extremely limited information.

The WS&GB authorities consider that proposals are often amended significantly through pre-application engagement (such as pre-application engagement and Design Panel) resulting in positive benefits for developers and local communities alike. The proposals would limit the ability of LPAs to positively influence matters such as design, layout and infrastructure requirements once a PIP is granted.

It is hoped that these comments will be carefully considered as part of the Consultation process as the Group of authorities that make up the West Sussex and Greater Brighton Strategic Planning Board have serious concerns about a number of the potential planning reforms as set out above.

Yours faithfully



Councillor Claire Vickers

**Chair of the Strategic Planning Board**

**(Cabinet Member for Planning and Development, Horsham District Council)**