Department for Levelling Up,
Housing & Communities

Department for Levelling up, Housing and Communities
Fry Building
2 Marsham Street
London
SW1P 4DF

Parish Councils of Chiddingly, East Hoathly with Halland, Hellingly, Heathfield and Waldron, Horam, Laughton an
3 Bank Buildings
High Street
Horam
Heathfield
East Sussex
TN21 0EH

Fax: 020 7035 0018
Email:isra.choudhury@communities.gov.uk

www.gov.uk/dluhc

Our Ref:14130230
Your Ref:

Date: **25 January 2022**

Dear Sirs,

Thank you for your letter of 6 December 2021. I have been asked to reply on behalf of the Secretary of State.

To address your point about houses that have been approved but not delivered, the Government is clear that new homes should be built out as soon as possible once planning permission is granted. Where build-out is delayed, it is for councils and developers to work closely together to overcome any barriers.

With regards to your concern surrounding the loss of agricultural land, green fields, and wildlife habitats, the National Planning Policy Framework asks local authorities to protect and enhance valued landscapes, soils and sites of biodiversity, including woodland, and to recognise the character and beauty of the countryside. Green infrastructure and greenfield land, whether or not in Green Belt, provide important benefits for biodiversity and nature recovery, local food-growing, carbon capture, flood risk management, outdoor recreation, health and well-being. Where appropriate, communities can use Neighbourhood Plans or Local Plans to designate Local Green Space. Local Green Space designation is a way to provide special protection against development for green areas of particular importance to local communities [1]

The government also notes your concern with the increased buffer to Wealden's five-year housing land supply and want to reassure you that the Government recognises the challenges local authorities are facing in demonstrating a five-year housing land supply and supporting housing delivery. However, it is important to keep the planning system moving so it can play its full part in the economic recovery to come. As a result, the government have introduced a range of measures to support local authorities and the sector during this period. It also appreciates Wealden's efforts to meet the consequences of their housing delivery test result.

You raise concerns about the use of the standard method. The Government is clear that to help make home ownership affordable for more people, and to help more

[1] Further guidance on Local Green Space designation is available here: https://www.gov.uk/guidance/open-space-sports-and-recreation-facilities-public-rights-of-way-and-local-green-space#Local-Green-Space-designation

people rent their own home, it needs to deliver more homes. To get enough homes built in the places where people and communities need them, a crucial first step is to plan for the right number of homes. That is why, in 2018, the government introduced a standard method for assessing local housing need to make the process of identifying the number of homes needed in an area simple, quick, and transparent. To help enable the country to deliver 300,000 homes a year by the mid-2020s, in December 2020 the government changed the formula to increase need by 35% in our 20 most populated urban areas to maximise use of existing infrastructure and to support development that reduces the need for high-carbon travel. All other local authorities in England – including Wealden – saw no change compared to the previous method, so in effect continue to calculate their local housing need in the same way they had been previously.

Importantly, the standard method is only the starting point in the process of planning for new homes. Councils decide their own housing requirement once they have considered their ability to meet their own needs in their area. This includes taking local constraints, such as National Parks, Areas of Outstanding Natural Beauty and Green Belt, into account and working with neighbouring authorities if it would be more appropriate for needs to be met elsewhere. This recognises that not everywhere will be able to meet their housing need in full.

2014-based household projections

In your letter you raise the use of 2014-based household projections in the standard method. After uncertainty due to COVID-19 it is particularly important to provide stability and certainty for plan-making and decision-making, so that local areas can get on and plan based on a method and level of ambition that they are familiar with. As part of the consultation in 2020, the Government carefully considered whether to use the 2018-based household projections and concluded at the time that, in the interests of stability for local planning and for local communities, the 2014-based projections would be used.

Furthermore, I believe I should make clear that household projections are not a measure of how many homes are needed to meet demand, they simply show what would happen if past trends continued. The ONS has been clear that lower household projections do not mean fewer homes need to be built. In fact, they said if new additional homes are not supplied then households cannot be formed as there would be nowhere for them to live. There are also other pressing factors at play, including the chronic affordability issues in many areas where demand for housing is high, as well as the historic under-delivery of new homes.

Affordability factor

You mentioned the affordability adjustment in the standard method formula. As noted in Planning Practice Guidance, an affordability adjustment is applied as household growth on its own is insufficient as an indicator of future housing need because:

- household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live; and
- people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.

The affordability adjustment is applied in order to ensure that the standard method for assessing local housing need responds to price signals and is consistent with the policy objective of significantly boosting the supply of homes. The specific adjustment in this guidance is set at a level to ensure that minimum annual housing need starts to address the affordability of homes.

I hope that this letter addresses the various issues you have raised and thank you again for your letter.

Yours sincerely,

Isra Choudhury