



**Department for Levelling Up,
Housing & Communities**

Rt Hon Stuart Andrew MP
Minister of State for Housing

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

Miranda Dart
Working Group against Over Development
c/o Clerk to Chiddingly Parish Council
Springwood
Back Lane
Cross in Hand
East Sussex
TN21 0QA

Tel: 0303 444 0000
Email: stuart.andrew@levellingup.gov.uk

www.gov.uk/dluhc

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Dear Mr Dart

Thank you for your letter of 3 April, setting out the views of the Chiddingly led Working Group against Over Development on a range of matters.

I hope you will appreciate that, due to the quasi-judicial role of Ministers in the planning system, I am unable to comment on local issues or specific plans. I can, however, offer the following general comments to address the points you raise, which I hope you will find useful.

I would like to start by assuring you that the Government is very conscious of the effect that development can have on local communities and on our environment. We recognise that it is important to strike a balance between enabling vital development and growth, including the new homes we need, while continuing to protect and enhance the natural environment. Through the National Planning Policy Framework (NPPF), we have made clear that the purpose of the planning system is to contribute to the achievement of sustainable development. I know how important this is to people in Wealden, who rightly place a high value on the protection of their local environment.

Equally, there is no doubt that we have not been building enough homes to meet our country's need for too long. To support working towards our target to deliver 300,000 homes per year and one million homes over this Parliament, it is important that local authorities plan positively to meet their housing needs. Our NPPF introduced the standard method for calculating Local Housing Need (LHN), and it makes the process of identifying the number of homes needed in an area simple, quick, and transparent.

The 2014-based household projections are used within the standard method to provide stability for planning authorities and communities, to ensure that historic under-supply and declining affordability are ultimately reflected in housing requirements, and to support the Government's objective of significantly boosting the supply of homes. The Office for National Statistics (ONS) has been clear that lower household projections do not mean fewer homes are needed - in some cases they reflect existing undersupply, where lack of provision stops new households from forming. The ONS has also noted that household projections are not forecasts; they do not attempt to predict the impact of future public policy, changing economic circumstances or other factors that may influence household growth.

Nevertheless, I would emphasise that LHN does not set a target for the number of homes to be built. Local authorities decide their own housing requirement once they have considered their ability to meet their own needs in their area. This includes taking local circumstances and constraints, such as National Parks, 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. Each plan, including the approach to housing requirements, is subject to a public examination in front of an independent Inspector, who plays an important role in examining plans impartially to ensure that they are legally compliant and sound.

I note that you have asked whether the standard method can be changed in order to deliver local housing requirements in sustainable locations. It is important to note that the standard method only identifies the overall number of homes needed in area, before local constraints are taken into account. It is for local authorities to identify the size, type and tenure of homes needed for different groups in the community, as set out in the NPPF, and to ensure that these are reflected in local planning policies. Local authorities are also best placed to decide the most appropriate and sustainable locations for new housing development.

I would assure you that we are monitoring the effect of the standard method, particularly as the impact of changes to the way we live and work and levelling up become clear.

The Government is clear that developers should build-out permissions as quickly as possible. Where planning permission has been granted for new development, or where sites are stalled or experiencing delays to being delivered, it is for local authorities and developers to work closely together at a local level to overcome any barriers. I note your thoughts on Sir Oliver Letwin's review. However, I would draw to your attention that Sir Oliver concluded that he found no evidence that speculative land banking is part of the business model for major house builders, nor that this is a driver of slow build out rates. Nevertheless, there are instances where delays in starting or progressing sites may be avoidable and we want to empower authorities with the tools to respond. Consequently, we are exploring all options to support faster build out as part of a package of proposed changes to the planning system. An announcement on our plans will be made shortly.

The NPPF requires councils to identify and update annually a supply of specific 'deliverable' sites sufficient to provide a minimum of five years' worth of housing against their housing requirement. This is commonly known as a 5-year housing land supply. In accordance with the NPPF It is for the local authority to determine whether a site is deliverable or not, including those sites with planning permission, and the likely quantity of deliverable sites/houses that will come forward within that five-year period.

Where the supply and delivery of housing is not meeting the housing requirements set out in a local plan (or Local Housing Need in the absence of an up to date local plan), the presumption in favour of sustainable development applies. This means additional housing allocations and permissions should be approved by a local authority unless planning constraints provide a strong reason against this when assessed against the NPPF as a whole –this includes Green Belt, Areas of Outstanding Natural Beauty, National Parks and flood risk. The absence of a five-year housing land supply, therefore, does not mean that planning permission is automatically granted. Each case is considered on its merits and only planning matters may be taken into consideration.

I know how important it is to local communities that new housing is supported by the provision of infrastructure that benefits new and existing residents. The NPPF asks local planning authorities to plan for the required mix of housing and supporting infrastructure, such as roads, schools and medical facilities, through the Local Plan process. Contributions from developers are important in helping to deliver infrastructure to support new homes. Local authorities can obtain contributions by charging a Community Infrastructure Levy on new development, and by negotiating section 106 planning obligations with a developer.

We are exploring the creation of a new 'Infrastructure Levy', which will replace section 106 planning obligations and the Community Infrastructure Levy (CIL) and be set up in a way that saves time and ensures development pays its way. The new Levy will raise at least as much value as is currently captured through CIL and section 106 and will continue to be collected and spent at the local level, on priorities including infrastructure and affordable housing.

Ministers are considering how best to take forward proposals for changes to the planning system. An announcement on next steps, including further detail on how the changes will contribute to protection for the environment, will be made in due course.

I am sorry that I must decline your invitation to visit Wealden due to diary pressures. I would, however, like to thank you for extending this offer.

Thank you again for your letter. I hope that you find this information helpful.

Yours
Stuart

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