

# Brown Not Green Chesham Ltd

c/o 2 Deer Park Walk Chesham Bucks HP5 3LJ

Proud members and supporters of:

[www.brownotgreen.com](http://www.brownotgreen.com)

“Protecting the Green Belt around Chesham”



1 October 2020

## Changes to the current planning system – Consultation response

### INTRODUCTION:

Brown Not Green Chesham Ltd (BNG) is a not for profit private company, limited by guarantee that has been incorporated since 2016 and emerged from a former unincorporated residential association formed to protect the Green Belt around Chesham in Bucks.

The Company was created specifically in response to proposals by the former Chiltern & South Bucks District Council to allocate land around Chesham that is currently designated as Green Belt for large scale housing development. BNG feel that brownfield opportunities should be more thoughtfully examined and developed not Green Belt sites.

BNG has some 1,800 supporters and over 100 households as “members” representing over 250 individuals within the local community. (Membership is defined by any household that has donated funds to the Company.) To date all funds raised by BNG have been deployed for payment of legal and professional fees in making representations during the Local Plan consultation & Examination process as well as seeking the Right to Bid for land considered as Assets of Community Value NE of Chesham and in making various Definitive Map Modification Orders to prevent informal footpaths being lost from inappropriate development in the local environment. BNG has also made submissions in response to specific local planning applications.

The Company is administered by 6 unpaid volunteer Directors including Phillip Plato FloD DipSurv MRICS (contact details for whom are recited at the end of this document) & who is authorised to make this submission on behalf of the Company

BNG have reviewed the White Paper entitled “Changes to the Current Planning System” for which consultation responses were sought by midnight on 1 October 2020 and have the following responses to the questions posed therein.

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Registered in England - Company Number 10810899

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**Q1: Do you agree that planning practice guidance should be amended to specify that the appropriate baseline for the standard method is whichever is the higher of the level of 0.5% of housing stock in each local authority area OR the latest household projections averaged over a 10-year period?**

We do not support determining the housing requirement for any area using only a standard methodology that becomes a “one size fits all”. It would appear the Government has conceded that the current methodology is not fit for purpose – facing up to an inconvenient truth that many in the profession have known about for some time!

However, the Government has taken the view that the “answer” (which is perceived to be the need to boost supply to 300,000 homes per annum) is right but the proposed means of getting there is wrong. A new Standard Methodology is now being proposed; effectively another “algorithm”. Whilst one might argue that the Government has had limited success with algorithm’s in other unrelated areas of government during 2020, it is acknowledged that there must be some starting point for assessing need, but in our view, it is essential that this does not then simply become the definitive housing requirement for every local authority area and to do so risks replacing one flawed methodology with another.

There must be a further assessment of all areas to consider local designations such as Green Belt and AONB and local affordability issues. We would suggest that this further assessment must also incorporate a detailed review of all brownfield opportunities and previously developed land. Without any such further assessment there is a real danger that the “methodology” will become nothing more than a self-serving and flawed justification for “exceptional circumstances” to warrant removal of land from development restraint policy, such as Green Belt and in so doing thereby miss the important environmental necessity to preserve the natural environment. It would also thereby undermine the other aspirational pillar of the Governments Proposals for “Protected Areas”.

For example, in our area of the former Chiltern District Council (now part of the new unitary authority of Buckinghamshire Council) the new Standard Methodology, if applied as proposed, would see the already challenging housing need assessment further increase by **232%**, yet 88% of the former District is designated as Green Belt with 72% also designated as AONB.

According to data BNG has reviewed from the London Green Belt Council, this would not be an isolated case with the majority of districts around London, the South East and South West all experiencing significant and similar increases in housing need assessment, yet many of these same areas are also constrained by Green Belt or other development restraint policies. If the country is to leverage the debated benefits of major infrastructure projects such as HS2, it should consider a more equitable distribution of housing provision. After all, why should the Midlands and Northern Regions be denied the opportunity for economic growth if the Standard Methodology is only going to result in yet more density of housing in London and the SE?

In our view, the methodology for such local adjustments has not been sufficiently addressed and needs to be clarified before any new approach is adopted.

In re-considering the method for calculating housing need, it is also in our view critical that the Government takes the opportunity to correct other flaws in the proposed method. Principally, that the revised methodology removes the reliance on trend-based household projections on the calculation of housing need. For example, if there was a situation where the 0.5% increase was higher than the household projections, the local authority would be permitting housing that was not needed locally. In local authority areas which include constraints such as the AONB or Green Belt it would make sense for the lower figure to be used to avoid unnecessary encroachment and harm to the designated areas.

It needs to be clarified how the methodology will be adjusted for local authorities having large areas of Green Belt or AONB. The White Paper refers to this being a further element of the calculation, but with no details. Without this being clarified first, there is a risk is that this revised standard method of assessing housing need could become a housing requirement, with minimal mitigation for Local Authorities subject to significant areas of development restraint policy (ie: Green Belt AONB).

One potential method might be to simply reduce the figure produced by the proposed Standard Methodology by the same percentage of land in the area that is subject to Green Belt designation. This may be overly simplistic but if combined with a thorough reappraisal of brownfield opportunities, it might produce a more realistic, deliverable, and equitable solution for the area.

**Q2: In the stock element of the baseline, do you agree that 0.5% of existing stock for the standard method is appropriate? If not, please explain why.**

Again, BNG is concerned about “one size fits all” policies. For example, rural areas with designations should not be automatically treated the same as inner city areas

The Standard Methodology as proposed will have an immediate impact as the revised method will increase the national housing need, with the Paper citing that 141 authorities will have a change of over 25% compared to the current method. There needs to be some flexibility in this approach. Housebuilding should be based on local needs which the Local Authority should know best. BNG believe that the strict formulaic approach is wrong and that the Local Authority should use its own projections of need. Continued use of Strategic Environmental Assessments and Sustainability Appraisals would help to inform the final housing numbers and consider alternative options.

There must be a process adopted to reflect the presence of designated areas in determining proposed housing numbers. This does not mean there should be no housing in areas such as the Chilterns, but we feel that the primary objective should be on providing affordable homes for local people in sustainable locations and not adopting methodology that might encourage rolling back the Green Belt to accommodate theoretical need.

**Q3: Do you agree that using the workplace-based median house price to median earnings ratio from the most recent year for which data is available to adjust the standard method’s baseline is appropriate? If not, please explain why.**

BNG is instinctively apprehensive about the use of affordability, or changes of affordability, to adjust local housing need as there are many other factors affecting house prices beyond a simple supply & demand model.

We also believe that it is oversimplistic to assume that increasing housing targets (or supply) will lead to affordability significantly improving. This only assumes theoretical supply side economics and ignores other economic drivers that influence demand too. BNG feel there is ample evidence to demonstrate that increasing supply alone is not what determines affordability. One factor is that housebuilders have an interest in controlling supply which is partly but not entirely responsible for keeping house prices high.

The overall impact of using affordability multipliers to adjust assessment of local housing need will be to increase house building in the south east and London region to reduce it elsewhere in the country.

The public health crisis caused by coronavirus has seen a profound change in working patterns much of which may be permanent as it has proved to many people and employers that technology does now facilitate home or remote working and the geographical location of housing or need for such regularity of commuting is less critical.

The Standard Methodology as currently proposed, is clearly going to result in an inevitable increased level of housebuilding in the South East that will be directly contrary to the government's avowed intention to sharing growth to other regions. New businesses and homes need to be spread further around the country as part of the Government's 'levelling-up' agenda. The result of this would, ideally, be less homes in the South East, resulting in reduced environmental impacts through commuting, and greater protection for the countryside in the surrounding area.

Around Chesham, which is both within commuting distance of London and set within an attractive rural area, with good access to public transport the affordability ratio is likely to be extremely high. The presence of an Area of Outstanding Natural Beauty and Green Belt further increases house prices. The high house prices may be partly due to an undersupply of houses in rural areas, but this cannot be overcome simply by allowing provision for more houses on the Green Belt areas around Chesham as ultimately this is unsustainable and results in collective destruction of the very environment everyone wants to live near!

Large increases in new housing around Chesham would, in our view, have little impact on affordability, but it would have a significant detrimental impact on the local environment, air quality, the pressure on local roads and on public transport and other infrastructure, all of which are operating at or above their design capacity. The Standard Methodology as proposed, makes no allowance for whether infrastructure can cope or if there is scope to upgrade it for the proposed increased housing.

Some of the local authorities such as those in the Chilterns will have little option under the current arrangements let alone under what is being proposed, than to consider development in the AONB and Green Belt due to high percentages of their areas being designated as such. BNG believe that there needs to be a recognition that in local authority areas with such high proportions of Green Belt & AONB designations that it may not be possible to achieve the blanket 0.5% increase that is being proposed.

Some capacity to transfer housing requirements to neighbouring authorities could also help and highlights the need for continuing co-operation between authorities, not less.

**Q4: Do you agree that incorporating an adjustment for the change of affordability over 10 years is a positive way to look at whether affordability has improved? If not, please explain why.**

Yes. Flexibility is essential. If affordability changes over time, it makes sense to adjust the housing figures within that local authority area. However, as previously stated, it must not be at the expense of the environment generally or have a detrimental impact on the natural beauty of the AONB or the openness of the Green Belt specifically.

**Q5: Do you agree that affordability is given an appropriate weighting within the standard method? If not, please explain why.**

Please see BNG's comments in respect of Q3. BNG is instinctively apprehensive about the use of affordability, or changes of affordability, to adjust local housing need as there are many other factors affecting house prices beyond a simple supply & demand model.

Affordability is a factor that should guide the eventual outcome and should not be a rigid formulaic factor within the Standard Method. There is currently a danger of it then being given too much weight in determining housing requirements in expensive housing areas.

The Standard Methodology as currently proposed, is clearly going to result in an inevitable increased level of housebuilding in the South East that will be directly contrary to the government's avowed intention to sharing growth to other regions.

**Q6: Authorities which are already at the second stage of the strategic plan consultation process (Regulation 19), which should be given 6 months to submit their plan to the Planning Inspectorate for examination?**

It is unclear what this would achieve or what benefit it would afford the public purse.

LPA's who are at such an advanced stage may find that attempting to accommodate a revised Methodology effectively means having to start again in the Plan preparation process which is unlikely to be achieved in 6 months and without considerable cost to the Local Authority/Local taxpayer.

**Q7: Authorities close to publishing their second stage consultation (Regulation 19), which should be given 3 months from the publication date of the revised guidance to publish their Regulation 19 plan, and a further 6 months to submit their plan to the Planning Inspectorate?**

See previous comment.

**Q8: The Government is proposing policy compliant planning applications will deliver a minimum of 25% of onsite affordable housing as First Homes, and a minimum of 25% of offsite contributions towards First Homes where appropriate. Which do you think is the most appropriate option for the remaining 75% of affordable housing secured through developer contributions? Please provide reasons and / or evidence for your views (if possible):**

**i) Prioritising the replacement of affordable home ownership tenures, and delivering rental tenures in the ratio set out in the local plan policy.**

**ii) Negotiation between a local authority and developer.**

**iii) Other (please specify)**

BNG is probably not best placed to offer informed comment on this issue but feels that the most important consideration is what price of house is to be considered affordable. This could be determined by multiples of average income rather than simply taking a percentage off the price of a home. For example, around Chesham a £300,000 home may qualify as "affordable" but may not be so for many people. Placing affordable homes within the key settlements will hopefully help to keep young people in the area rather than homes being bought by London commuters.

BNG should comment that it is unclear from the proposals what happens when the First Homes are resold. Will they simply revert to full market price when sold by the first owner, giving all the profit to that owner, though without that profit are they then unable to move up the "housing ladder"? Alternatively, are the houses retained as First Homes in perpetuity by some restrictive covenant?

The point is that if the discount does not remain when the property is sold on, the benefit of having that First Home will be lost however, without that profit will those First Owners be “stuck”? This could present long term unintended consequences that may not be favourable in the future.

**Q9: Should the existing exemptions from the requirement for affordable home ownership products (e.g. for build to rent) also apply to apply to this First Homes requirement?**

Yes, we can see no reason for First Homes requirement to be treated any differently than affordable homes.

**Q10: Are any existing exemptions not required? If not, please set out which exemptions and why.**

No, existing exemptions should be maintained.

**Q11: Are any other exemptions needed? If so, please provide reasons and /or evidence for your views.**

No other exemptions are needed.

**Q12: Do you agree with the proposed approach to transitional arrangements set out above?**

No comments.

**Q13: Do you agree with the proposed approach to different levels of discount?**

We refer to certain comments made in response to Q 8 above on affordability.

BNG question how the criteria of 'a minimum of 30% from market price', has been established and even with 'local discretion' being able to apply 40% or 50%, this would still not necessarily make a home affordable in our area.

**Q14: Do you agree with the approach of allowing a small proportion of market housing on First Homes exception sites, in order to ensure site viability?**

Yes, but it is unclear how a ‘small proportion’ is defined.

**Q15: Do you agree with the removal of the site size threshold set out in the National Planning Policy Framework?**

BNG has some concerns on this proposal. The proposal in the NPPF footnote 33 is to allow small sites that are limited in area and proportionate to the adjacent settlement. We see no reason to



remove this threshold, particularly for rural settlements, as that could potentially lead to some sizeable developments in rural areas.

**Q16: Do you agree that the First Homes exception sites policy should not apply in designated rural areas?**

Yes, developments in the protected area should be small scale and be carefully designed to complement to existing settlement and the wider designated area.

**Q17: Do you agree with the proposed approach to raise the small sites threshold for a time-limited period?**

No. Even for a limited period this could have injurious effects.

The proposal to raise the threshold that triggers affordable housing contributions from 10 to 40 or 50 dwellings for a limited time period will drastically reduce the supply of rural affordable homes. This is because in many rural communities, residential developments tend to be smaller than 10 dwellings. Many rural communities, therefore, will see no affordable homes being provided at all.

The consultation document proposes an exemption to this rule in designated rural areas based on the S157 1985 Housing Act definition. However, this measure will be largely ineffective because it will not apply to 70% of smaller rural communities. Despite good intentions, these changes will not help SME builders in rural areas. During the 2008 recession, these developers continued to build because housing associations bought the affordable homes, guaranteeing the developers with an income that supported cash flow, kept the site under construction, contractors working and promoting future market housing. Removing affordable housing requirements will lead to higher land values and this will inevitably further constrain the ability of SME builders to compete in purchasing sites.

We recommend that existing thresholds are retained within the designated rural areas.

**Q18: What is the appropriate level of small sites threshold?**

**i) Up to 40 homes**

**ii) Up to 50 homes**

**iii) Other (please specify)**

See response to Q17 above. We do not believe changes are appropriate.

**Q19: Do you agree with the proposed approach to the site size threshold?**

See response to Q17 above. We do not believe changes are appropriate.

**Q20: Do you agree with linking the time-limited period to economic recovery and raising the threshold for an initial period of 18 months?**

No.

**Q21: Do you agree with the proposed approach to minimising threshold effects?**

Yes.

**Q22: Do you agree with the Government's proposed approach to setting thresholds in rural areas?**

Yes.

**Q23: Are there any other ways in which the Government can support SME builders to deliver new homes during the economic recovery period?**

No comments.

**Q24: Do you agree that the new Permission in Principle should remove the restriction on major development?**

BNG agrees but must qualify its agreement to this proposal to ensure that this would only apply to "Growth Areas" or "Renewal Areas" and should not be available to sites designated as "Protected Places", namely those areas currently designated as AONBs and Green Belt even if they are recognised as "Previously Developed Land". This is because of the potential the effect on the neighbouring countryside / Green Belt/AONB and particularly wildlife and habitats which must be properly assessed.

Major developments in these areas must meet the requirements of the NPPF and to demonstrate exceptional circumstances (AONBs) or very special circumstances (Green Belt). From the details given in the consultation report, it appears that there would not be scope to require the technical

evidence that is essential in making planning decisions in these areas. The technical evidence should include a Landscape and Visual Impact Assessment.

A similar situation applies in relation to biodiversity in that a decision should not be made on applications affecting protected sites or species until full ecological surveys have been submitted. In areas of open countryside outside the designated areas, Permission in Principle still risks significant damage to the local environment if permission is given before environmental impacts have been assessed.

**Q25: Should the new Permission in Principle for major development set any limit on the amount of commercial development (providing housing still occupies the majority of the floorspace of the overall scheme)? Please provide any comments in support of your views.**

No comments.

**Q26: Do you agree with our proposal that information requirements for Permission in Principle by application for major development should broadly remain unchanged? If you disagree, what changes would you suggest and why?**

See response previously to Q 24. As set out above, environmental impacts must be fully assessed before a decision is made.

**Q27: Should there be an additional height parameter for Permission in Principle? Please provide comments in support of your views.**

No comments.

**Q28: Do you agree that publicity arrangements for Permission in Principle by application should be extended for large developments? If so, should local planning authorities be:**

- i) required to publish a notice in a local newspaper?**
- ii) subject to a general requirement to publicise the application or**
- iii) both?**
- iv) disagree**

**If you disagree, please state your reasons**

We favour option (iii).

**Q29: Do you agree with our proposal for a banded fee structure based on a flat fee per hectare, with a maximum fee cap?**

No comments.

**Q30: What level of flat fee do you consider appropriate, and why?**

No comments.

**Q31: Do you agree that any brownfield site that is granted Permission in Principle through the application process should be included in Part 2 of the Brownfield Land Register? If you disagree, please state why.**

Yes.

**Q32: What guidance would help support applicants and local planning authorities to make decisions about Permission in Principle? Where possible, please set out any areas of guidance you consider are currently lacking and would assist stakeholders.**

No comments.

**Q33: What costs and benefits do you envisage the proposed scheme would cause? Where you have identified drawbacks, how might these be overcome?**

No comments.

**Q34: To what extent do you consider landowners and developers are likely to use the proposed measure? Please provide evidence where possible.**

No comments.

**Q35: In light of the proposals set out in this consultation, are there any direct or indirect impacts in terms of eliminating unlawful discrimination, advancing equality of opportunity and fostering good relations on people who share characteristics protected under the Public Sector Equality Duty? If so, please specify the proposal and explain the impact. If there is an impact – are there any actions which the department could take to mitigate that impact?**

No comments.

Submission prepared by:

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For & On Behalf of

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