



The countryside charity
Hampshire

CPRE Hampshire – Responding to Planning Reforms – Our thoughts on ‘Changes to the Current Planning System’ – Another “dodgy algorithm”

September 2020

Introductory note: CPRE Hampshire believes that planning is crucial to empowering local communities and making sustainable, liveable places. Ensuring everyone has a decent home, that meets their needs and that they can afford, is essential to that, both in town and country. Equally, it is vital that new development is planned intelligently; our countryside is precious and fragile and urgently needs better management in the face of the climate and nature emergencies. Critical to this is that land is not lost to development unnecessarily. More new homes are needed that are affordable for the average person and there is plenty of scope to use previously developed urban land to help address this need.

As part of its reform of the planning system, the Government has put forward a new method of calculating housing numbers. CPRE Hampshire thinks this is seriously flawed: another “dodgy algorithm”.

In its recent consultation paper “Changes to the Current Planning System”, the Government proposes to distribute 337,000 new homes annually across England, using a standard method. This method allocates 9,275 new homes every year to Hampshire, although the Office for National Statistics (ONS) projects only 4,097 new households will be formed. The formula applied is a blunt tool, which starts from the premise that increasing supply of new homes increases affordability. We at CPRE Hampshire, and a number of experts disagree with that premise. The Government should withdraw the proposal. Here are ten reasons why:

1. Rural areas will bear the brunt. The proposed new formula serves mainly to shift housing numbers from the cities to the rural districts. For example, in Hampshire - East Hampshire numbers would rise from current ones by 50%, Winchester by 48%, Test Valley by 40% whilst Southampton is down by 17%, Portsmouth by 15%. Havant and Hayling Island rises by a whopping 91%.
2. Young people will still be on the housing waiting list. For England the formula arrives at 337,000 homes per annum, even beyond the Government’s manifesto aspiration of 300,000 pa. This is based not on need, but on market demand for houses to buy. It does not address affordability issues for those in greatest need.
3. Higher new housing target whilst population growth is actually slowing. Government is aiming to accelerate new housing at a time when population growth is not rising but slowing. Households are now only forming at around 164,000 per annum. For example, using the new algorithm, Rushmoor is projected to build 2488% above its demographic projections. The graph at the end of this paper shows how this will impact each local authority in Hampshire. (Note: Rushmoor does not even fit on the graph’s scale and is not included)



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4. No account is taken of environmental constraints. The formula does not take any account of constraints such as tighter planning environment in the South Downs or New Forest National Parks, nor the Areas of Outstanding Natural Beauty, not the Sites of Special Scientific Interest that define Hampshire's high-quality environment. Such "designated landscapes" form 86% of New Forest, 58% of East Hampshire and 41% of Winchester. Nor does the formula take account of chalk rivers or water resources. Nor of access to public transport hubs.
5. It does not deliver more affordable homes, but rather more expensive "executive boxes". It entrenches the perverse incentives for housebuilders to build expensive homes in expensive areas and commences an ever-increasing endogenous loop disincentivising affordability. There is no incentive for land prices to fall, rather the opposite.
6. It does not take account of the fact that many homes for which planning permission has already been given have not yet been built. The proposed methodology does nothing to encourage (or force) the building-out of the 1,000,000 homes that are already permitted in England. The government is under the misapprehension that delays are solely due to the planning system, rather than to developers.
7. Unlevel playing field. The proposals fail to support the Government's levelling-up agenda, with too much development and investment focussed on already wealthy London and the South East, and too little in the Midlands and the North of England (below even their demographic projections).
8. Greenfield at risk. The objective of maximising use of brownfield land is not achieved with these proposals. This focus is not going to be good for the Climate Emergency.
9. Removal of local decision-making. The proposals are likely to result in a significant loss of trust in the new system. Many applications will go through without any opportunity for local democracy to have a say, but rather under "permission in principle".
10. One size cannot fit all. Each region and each district have different constraints and different growth factors. New housing cannot be distributed via a simplistic algorithm with no strategy.

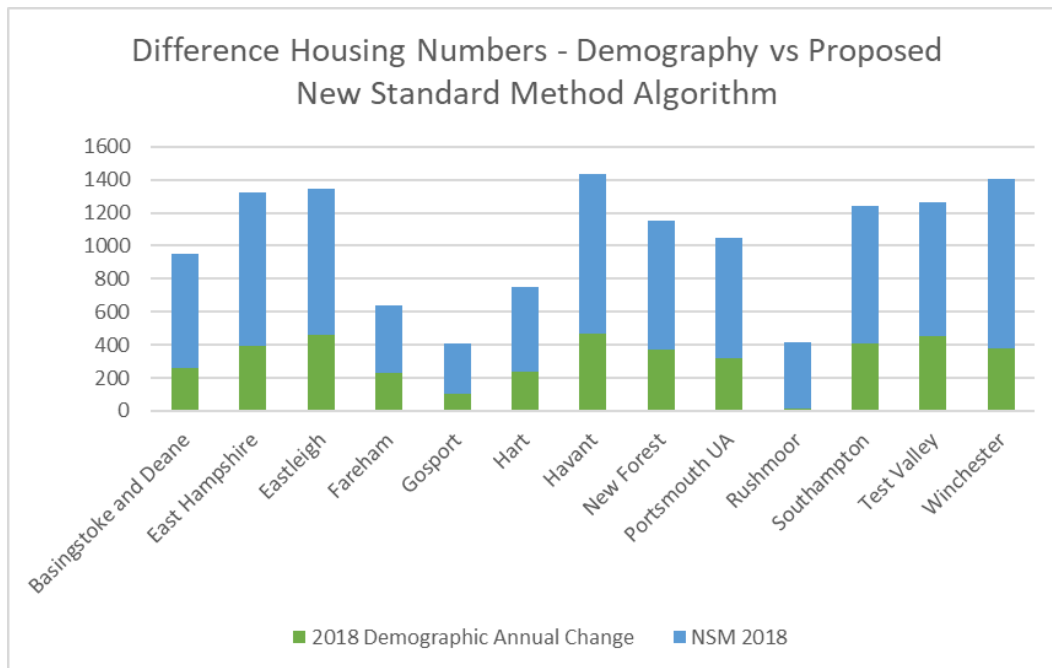
What's the alternative?

The most recent ONS population growth statistics and household formation rates could form a starting point for each area. After that that each authority should look at:

- past delivery (which feeds back into population growth and, can create a flywheel effect, with ever increasing targets. Test Valley is one example);
- affordable need (identified through Needs Surveys or Strategic Housing Market Assessments) for those who cannot access the market to buy or rent - this is different from what the government standard method proposes;



- social housing. This is conveniently ignored by the government formula, which passes the buck neatly onto the market and expects developers to provide truly affordable homes;
- empty homes; second homes; student populations;
- employment levels; commuting patterns;
- And last, but definitely not least, environmental and other constraints on growth.



What can I do?

Sign the CPRE petition: <https://takeaction.cpre.org.uk/page/66589/petition/1?ea.tracking.id=cpre-web-take-action>

Contact Your MP - find their details at www.theyworkforyou.com

See our letter at <https://www.cprehampshire.org.uk/news/government-action-should-focus-on-building-the-one-million-homes-that-already-have-planning-permission-cpre-hampshire-writes-to-hampshire-mps/>

Respond re new housing numbers to consultation 1 - Changes to the Current Planning System: deadline 1st October: <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system> Email: TechnicalPlanningConsultation@communities.gov.uk

See our response at <https://www.cprehampshire.org.uk/news/cpre-hampshire-on-calculating-housing-numbers-and-another-dodgy-algorithm/>

Respond re democracy to consultation 2 - Planning White Paper: deadline 29th October <https://www.gov.uk/government/consultations/planning-for-the-future>

Email: planningforthefuture@communities.gov.uk

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