



**National
Federation of
Builders**

House Builders Association

The Barker Review of Land Use Planning

Introduction

1. The House Builders Association (HBA) represents some 600 housebuilder members of the National Federation of Builders (NFB) and, as such, is numerically the largest body representing housebuilders. Typically, but not exclusively, its members are smaller and medium sized housebuilders, many privately owned. As such, they may be regarded as being representative of the 40% of output built by non-volume housebuilders.
2. We are pleased to note that a consensus seems to be emerging amongst both private sector and local authority planning bodies (POS in particular) that the new planning system created under the 2004 Act is process not delivery driven.

Impact on small and medium sized housebuilders

3. Smaller and medium sized builders may be less directly involved at the macro-level of RSSs or even DPDs, but they are seriously affected by delay and undersupply in the system because of the knock-on effects on larger housebuilders of under provision at RSS level. They are forced to compete for land with planning permission in the same market as smaller developers and there is only one outcome in such a situation.
4. We therefore view with dismay the emerging results of RSSs which, in areas of high demand, are planning for levels of housebuilding considerably below the levels implied by the 2003-based household projections. Conversely, in the North West and West Midlands, RSSs are pursuing anti-market policies (housing moratoria) which both reduce the supply of housing in total and make delivery of affordable housing impossible, by reducing the scope for cross-subsidy.
5. Given the statutory status afforded to RSS, this undersupply is of far greater significance, in terms of restricting LDDs, than was similar under-supply in the Regional Planning Guidance they have replaced. The first generation of RSSs for the East of England, South East and South West will restrict housing output for the next decade, before another review is complete, followed by reviews of DPDs. It is essential that the question of increasing output is addressed before then, otherwise the work surrounding the first Barker Enquiry will have largely been in vain.

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Local Development Frameworks

6. The new local plan processes introduced under the 2004 Act are far too complicated and overlap each other. Various the Planning Officers Society and the Appeals Inspectorate have drawn attention to delays in DPDs coming forward, their poor quality and the time wasted in the system by producing SCIs on so many plans and also requiring them to go to Inquiry.
7. It is too early in the life of the new system to be able to be dogmatic about its operation. However the portfolio approach, involving several documents at various stages of review, does seem to offer confusion to the local community and developers, who may not be sure at any one time exactly what adopted policy is. It has always been questionable what purpose the Core Strategy performs, other than a restatement of RSS policies and PPS policies.
8. In any event, allied to the other processes that PPS3 will require planning departments to undertake and other obligations such as EAs and SEAs, it is clear that the entire system has grown to a size and complexity that cannot actually be managed by local authorities, with the resources they have.

Development Control

9. The same problem is replicated at development control level. Lack of resources to carry out the detailed review of an increased amount of information provided by applicants is leading to increased delay in handling planning applications. Attempts made by Government to speed up decisions, by tying the availability of planning delivery grant (PDG) to a strict timetable, has had the opposite effect to that intended. As a result, applications are either rejected or withdrawn at 13 weeks, in many cases.
10. We consider it would be pointless to try to resource the system to undertake the tasks it seeks to fulfil. The system must be simplified and the tasks set by policy must be reduced so that they can be performed within the likely staffing levels available to local authorities. We agree with the POS that an aspect of this resource problem is the excessive numbers of developments requiring planning permission and support their proposal to extend permitted development rights.
11. The complexity of the task required to be performed by local authorities will be made even worse by proposals contained in draft PPS 3 and in the GPDO in respect to information required to be submitted with planning applications. PPS 3 envisages that Housing Market Assessments and



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Housing Land Availability Studies will collect and process vast amounts of data, most of which is not capable of being used sensibly by local authorities. Similarly, the amount of detail that is to be required, in future, to make a valid planning application will impose a high burden of cost and risk on applicants but will also burden local authorities with reviewing far more information, in a shorter time, than under previous rules. Neither of these developments will improve delivery by the system.

- 12 The local plan process has been made far too complicated by the 2004 Act and the task of making a planning application will soon be made more complicated. We consider that an effective way to simplify the latter would be to give sites that are allocated in the site allocation DPD effectively an outline or deemed planning permission and to allow the applicant to proceed to submitting details.
- 13 This is justifiable because, under the plan-led system, sites are examined at DPD stage and given a positive inclusion in the five year supply of available land. There is also requirement for an SCI concerning those sites. Thus the principle of development can be tested and public response gauged. It is wholly unfair to developers to face the risk of having councillors reject the site for development, in principle, in those circumstances, particularly given the degree of costly detail now required to be submitted on an application. Planning applications on sites allocated in DPDs should, therefore, only be about matters of design and whatever else is specified in the GPDO, but the principle of their development should be treated as decided.

Affordable housing

- 14 The amount of affordable housing being demanded in the planning system is becoming excessive. Increased percentages are being sought in RSSs and these will be translated into DPDs. At the same time, PPS 3 encourages local authorities to reduce thresholds and under SPGs, places such as Oxford have virtually eliminated any site size threshold and it is to be expected that many other authorities will follow suit. This will seriously affect the ability of smaller housebuilders to bring forward small urban sites, both in terms of assessing their viabilities and ability to take the risks involved.
- 15 We consider that these extensions of policy to secure more social housing to be unnecessary, in any event. The first Barker Review indicated a need for some 18,000-27,000 social houses p.a. ODPM and the Treasury claim that they are funding 25,000 in year 2005-7 and 30,000 in year 2007-8 and this will be before these policy changes and raises doubts about their

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necessity. Requirements for social housing are becoming excessive and are putting at risk both the desirable development of smaller sites and the provision of other facilities under s.106, which may be higher priority locally.

Proposals

16. In summary, we propose that:

- Government must over-ride RSSs which set levels of housebuilding significantly below 2003-based household growth projections
- the local plan system must be simplified, the number of plans reduced and fewer SCIs should be required
- more development must be permitted without planning permission
- allocated sites in DPDs must be given a deemed outline planning permission
- social housing must be treated as a residual of what can be afforded after other priorities, not take priority over other requirements. No further policy changes to require more social housing should be introduced.

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