

BPF RESPONSE TO DLUHC'S CONSULTATION ON STRENGTHENING PLANNING POLICY FOR BROWNFIELD DEVELOPMENT

CONSULTATION RESPONSE

PREPARED AND SUBMITTED BY

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British Property Federation

- 1. The British Property Federation (BPF) represents the real estate sector an industry which contributed more than £116bn to the economy in 2020 and supported more than 2.4 million jobs. We promote the interests of those with a stake in the UK built environment, and our membership comprises a broad range of owners, managers, and developers of real estate as well as those who support them. Their investments help drive the UK's economic success; provide essential infrastructure and create great places where people can live, work, and relax.
- 2. We welcome the opportunity to respond to this consultation and strongly support the government's overall ambition to drive greater housing delivery on brownfield sites. We set out a number of general comments on the proposals below before turning to the questions posed in the consultation.

General comments:

The BPF strongly supports government's aspiration to deliver more housing through brownfield development: The BPF wanted to make clear at the start of our consultation response that the greater emphasis on enabling more brownfield development to come forward for housing through strengthening national planning policy is commendable. Our comments below should therefore be seen in that context and we look forward to working with the government and civil servants going forward to create a more productive planning framework to enable more brownfield sites to better support the delivery of commercial and mixed use development as well as much needed housing over the longer term. It is our strong hope that this consultation is only the start of the journey which can be built on in the future to enable a more effective planning framework within our urban areas.

There is the potential for the proposed 'brownfield presumption' to go further and apply to urban development more broadly: We received feedback from members that there would be merit in the proposed 'brownfield presumption' casting a wider net and thus capturing a wider range of development which takes place in an urban setting. By applying the 'brownfield presumption' to commercial, mixed-use development as well as housing, national planning policy would be promoting the delivery of homes, economic growth and jobs together, in a more joined up way.

There is a strong argument to suggest that the 'brownfield presumption' could be expanded to cover more urban areas beyond the 20 towns and cities identified: Whilst the BPF agrees with the government's approach to make sure our most populus towns and cities are delivering more housing, it should also be noted that there will be many urban areas which will not be subject to the 'brownfield presumption' simply because they fall outside of the relevant administrative local authority boundary. In Greater Manchester, for example, much of the city region will be included, but dense urban areas such Salford and Trafford will not be subject to the 'brownfield presumption'. There are also similar examples of this tension within the West Midlands and around the Bristol conurbation.



The need for a more comprehensive approach to reviewing national planning policy to encourage housing delivery through all parts of the NPPF: The proposed changes to para 129c of the NPPF, to make it clear that local authorities should be delivering as many homes as possible, especially on brownfield, is a welcome wording change. However, a number of members expressed the view that a more comprehensive approach to revising the NPPF is needed to stimulate greater levels of development in the right locations. That is to say, it is one thing to amend a specific paragraph of the NPPF to make it more favourable to the delivery of more housing, but another to take a more comprehensive approach to national planning policy, looking at all aspects of the framework to make sure that housing delivery, economic growth and jobs growth, is being encouraged across all chapters and policies.

Wider constraints on development could limit the impact of the 'brownfield presumption' across the 20 towns and cities identified: It is worth noting the recent CMA report into the housebuilding sector, which questioned the extent to which the 'urban uplift' areas would be able to meet the additional housing requirements owing to insufficient brownfield land locally. In these areas, local dynamics could limit the impact of any 'brownfield presumption' as wider issues of economy, viability and local market conditions which are also factors in why certain brownfield developments fail to come forward. This particular challenge furthers the case for the 'brownfield presumption' to cast a wider net both in terms of development uses and suitable urban areas so the policy can be as impactful as possible.

- Q1. Do you agree we should change national planning policy to make clear local planning authorities should give significant weight to the benefits of delivering as many homes as possible [yes/no]? If not, why not?
- 3. Yes, but as noted above, we think that national planning policy should be encouraging the delivery of both homes and jobs in a complementary way. Where government are proposing wording changes to national planning policy to encourage greater housing delivery, this should sit side by side greater emphasis on providing more jobs too.
- Q2. Do you agree we should change national planning policy to make clear local planning authorities should take a flexible approach in applying planning policies or guidance relating to the internal layout of development [yes/no]? If not, why not?
- 4. Yes
- Q3. If we were to make the change set out in question 2, do you agree this change should only apply to local policies or guidance concerned with the internal layout of developments [yes/no]? If not, what else should we consider?

Responding to Q2 and Q3:

5. A more flexible approach to internal layouts through national planning policy is welcome. However, the key point members fed back on this is the cumulative impact of policy requirements which is particularly burdensome in London with a lot of policy at the local level and at the strategic level in the London Plan. This is to say that whilst the proposal for national planning policy to encourage greater flexibility in relation



to internal layouts is welcome, the complex layering of policy across local and strategic plans (particularly in London) means that applicants still have complex policy requirements to navigate as they bring forward an application. Thus, the extent to which this measure on its own will reduce complexity and deliver more housing is questionable, as there are many other policies local authorities will have to consider when judging the merit of a scheme.

6. Members also fed back that in addition to considering flexibility in internal layouts, there are other ways we can increase the efficiency of housing in our towns and cities. An underrated factor, for example, is the efficiency of different types of housing in satisfying housing need. The owner-occupied housing sector tends to under occupy the space it takes up whereas Build-to-Rent development is more efficient with those renting it simply taking up the space they require and moving out when the housing no longer meets their needs. Further support for the Build-to-Rent sector can therefore play an important role in making our housing more efficient in terms of who is occupying space beyond national targets and numbers of units delivered.

Q4. In addition to the challenges outlined in paragraph 13, are there any other planning barriers in relation to developing on brownfield land?

- 7. Our response has already noted the cumulative impact of policy and requirements of the planning system when bringing forward development schemes in urban areas. Making sure that our strategic planning frameworks focus on the genuinely strategic issues and do not duplicate that which should be dealt with through the relevant local plan would reduce unnecessary policy bureaucracy and in turn make developing in urban brownfield areas a less challenging task. The current level of prescription in policy certainly undermines the sector's ability to get on with development.
- 8. A further point to consider is skills and resources for local authority planners and training for councillor decision-makers on brownfield development. Urban development is inevitably more complex so if we can boost skills and education amongst planners and decision-makers this would help to enable more building on brownfield sites.
- 9. We also received feedback that it would be useful for DLUHC to review the effectiveness of existing mechanisms which should be helping to promote brownfield development. One example would be the effectiveness of local authority brownfield registers.

Q6. How could national planning policy better support brownfield development on small sites?

10. The general feeling from members is that we may be at the limits of what national planning policy can achieve in terms of promoting brownfield development on small sites. The challenges are on the ground, with issues of viability and the cumulative impact of policy and obligations (such as the new BNG requirements), which are much more stark at the smaller end of the market.



- Q7. Do you agree we should make a change to the Housing Delivery Test threshold for the application of the Presumption in Favour of Sustainable Development on previously developed land [yes/no]?
- 11. Yes
- Q8. Do you agree the threshold should be set at 95% [yes/no]? Please explain your answer.
- 12. Some members were of the view that the threshold should be set at 99.9%. For certain authorities, particularly in London, it is worth noting that a 5% reduction in housing delivery translates into thousands of homes that are not being delivered for communities.
- 13. Others felt the threshold being set at 95% was about right to allow for a bit of flexibility for the local authority in terms of delivery rates.
- Q9. Do you agree the change to the Housing Delivery Test threshold should apply to authorities subject to the urban uplift only [yes/no]? If not, where do you think the change should apply?
- 14. No.
- Q10. Do you agree this should only apply to previously developed land within those authorities subject to the urban uplift [yes/no]?

Responding to Q 9 and Q 10:

- 15. Please see our general comments section above. As noted, we believe there is scope for the brownfield presumption to go further in terms of covering a greater range of uses including commercial and mixed-use development. Both the brownfield presumption and the associated change to the housing delivery test threshold should also apply to areas which are urban, particularly those adjacent to the 20 areas identified where they also form part of the greater urban conurbation.
- 16. Members also fed back that there may be an opportunity for the proposed presumption to go further beyond just brownfield land. A starting point might be a site which is only partially brownfield to also be covered by the presumption?
- Q11. Do you agree with the proposal to keep the existing consequences of the Housing Delivery Test the same [yes/no]? If not, why not?
- 17. Yes. Given what government is trying to achieve, keeping the existing consequences for the Housing Delivery test sounds sensible. The broader issue with how the Housing Delivery Test works is that its consequences are retrospective and thus it takes time for poor performing authorities to be held to account.



Q12. For the purposes of Housing Delivery Test, the cities and urban centres uplift within the standard method will only apply from the 2022/23 monitoring year (from the 2023 Housing Delivery Test measurement). We therefore propose to make a change to the policy to align with the publication of the Housing Delivery Test 2023 results. Do you agree [yes/no]? If not, why not?

18. Yes.

- Q13. Do you think the current threshold of 150 residential units for referral of a planning application of potential strategic importance to the Mayor of London is the right level [yes/no]?
- 19. The general consensus from members is that the threshold should be increased, and that 500 residential units is a sensible number.
- 20. However, members also had a variety of views and experiences which arguably made the specific figure a false choice. For example, it was noted that when the applicant is working with a positive authority then the input from City Hall is less helpful and can delay the process. This has particularly been the case in recent years as the London Plan has become more and more detailed, duplicating policy that really should be dealt with at the local level only.
- 21. On the other hand, when an applicant is having a less productive discussion locally about progressing a scheme, then the input and direction from the GLA can be of great advantage in terms of making progress with a development. It is therefore not a 'one size fits' all approach with members accepting there will be trade-offs with raising the threshold further in these scenarios.
- 22. Members agreed with the government's arguments presented in this section of the consultation paper regarding there being an unnecessary level of duplication in London when an application is referred to the Mayor. The remedy is perhaps to ensure that the Mayor's office is only dealing with matters of genuinely strategic importance where their input can be useful and leaving the rest to the local authority and the applicant. Members were unsure of what the intervention could be in this sphere to address this specific challenge but agreed that the aim of any intervention should be to give direction to the GLA to only be getting involved in matters of strategic importance. This would in turn build greater confidence into the entire planning decision-making system in London.
- 23. Other members fed back that the threshold number is in some ways a false choice with different levels appropriate for different development schemes. For example, in the east end of London a key feature of development going forward will likely be the repurposing of office blocks into residential. Some of these schemes may not reach the scale for any new threshold but are certainly of strategic importance in tackling London's housing crisis.



24. To enable greater flexibility, one solution suggested during our member engagement was for the threshold to be increased to 500, however, for schemes below that figure which are refused to then revert back to the 150 figure and allow the scheme to be referred to the GLA. Such as approach would help tackle the different trade-offs (listed above) regarding the precise threshold figure.

Q14. If no, what would you set as the new threshold? [300/500/750/1000/other] Please explain your answer.

25. As noted, members feel that 500 residential units is an appropriate threshold but with the caveats listed above.