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Department for Levelling Up, Housing and Communities
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Dear Sir/Madam,

LEVELLING UP AND REGENERATION BILL: REFORMS TO NATIONAL PLANNING POLICY

Response of Muller Property Group

I am personally writing on behalf of Muller Property Group by way of formal response to the invitation to consult on the reforms to the above mentioned parliamentary draft Bill.

I am a veteran of the housebuilding, property development, planning and land promotion industry with a career spanning 40 years. My experience in housebuilding has included Wimpey Homes, Alfred McAlpine, and Linden Homes. Muller Property Group was formed in 2001, and currently operates across the UK.

With a background and direct day-to-day involvement in housebuilding, and the obtaining of planning permission for development of land, I have been closely involved in the UK system of Town Planning since 1983. I am therefore able to comment with considerable experience on the workings of the planning system and policies related thereto.

For a period of over forty years, I have been engaged in a wide variety of direct town planning work at regional and local levels, with a significant amount of representation work on a variety of plan and policy making across the UK. This has also included the attendant planning applications, appeals and high court appearances on many areas of land and a wide selection of development sites including - housing, mixed-use, industrial, office, pubs, hotels, fast food & road side uses, food retail and petrol filling station uses, nationwide.

Muller works collaboratively with stakeholders to bring forward developments that successfully support local communities. This has resulted in our bringing forward 12,870 dwellings with approved planning permissions in the past 20 years, and related delivery of infrastructure, new open market homes, affordable homes, open space and the financial commitment to S.106 obligations associated therewith.

I have been involved at the sharp end of housing delivery in both public and privately owned businesses throughout my career and believe strongly in a system of town planning that offers continuity and clarity in policy and favours delivery in an economically and sustainable manner, led by the private sector.

Response to the Consultation

The proposed changes established within this consultation have been assessed in full and Muller welcomes this opportunity to provide a consultation response. I wish to express in-principal support for the following proposed changes, caveated as below:

- I welcome the reinforced emphasis on high quality design and place making in new developments within the proposed amendments, with the caveat that introducing the use of the term 'beauty' to replace 'attractive' within Paragraph 20 is inadvisable: beauty is a subjective and hard to define - term in respect of the built environment and as such will be open to a considerable degree of challenge if used as a means of rejecting development proposals (particularly through the Inspectorate and Courts). I suggest either the term 'beauty' is replaced with 'attractive' or 'well-designed' (making reference to well-understood design principles); or that it is made clear that 'beauty' is about more than what is visually attractive – it is about places that are designed to function well.

- I welcome the introduction of reference to retirement housing, housing with care and care homes to suitably support older people within our communities.
- I welcome the recognition of the ability to select a housing requirement figure for a whole area higher than the identified housing need if it includes provision for neighbouring areas or reflects growth ambitions linked to economic development or infrastructure investment as set out in Paragraph 67. However, if the requirement to justify plans is removed as proposed, this may well act counter to this ability in practice (see below).
- I support energy efficiency improvements and improvements to environmental standards; recognising that these are best addressed through changes to policy at the national level to ensure meaningful progress towards net zero carbon futures.
- I note the inclusion of a reference to support for community-led housing groups in rural areas to bring forward housing developments as set out in Paragraph 80, although it is suggested that these should be done in partnership with, and with the support of, landowners and the local community, to ensure that development is deliverable, well-designed and reflects the needs of more than a single interest group.
- I welcome the principle of accelerating the preparation of up-to-date Local Plans to provide certainty in the planning process for communities and those responsible for the delivery of much needed homes.

Although there is merit to some of the proposed changes, there are a number of amendments that despite being presented as subtle in the 'track changes' document, would result in some fundamental changes to the planning system and are likely to result in a reduction in the number of houses delivered - a direct 'disconnect' between planning policy changes and the housing crisis recognised by this and previous Governments since the advent of the NPPF in 2012.

The watering down of the terminology around the standard method as an effective tool for assessing the housing need of an area is likely to have a significant impact on the way in which local plans are produced and development needs are settled. Overtly stating that the standard method is an '*advisory starting point*' for establishing a housing requirement (Paragraph 61),

gives clear direction to local politicians that it is acceptable to elect to either ignore, or to choose an alternative metric, to determine what housing needs may or may not be met when preparing development plans. This is neither positive planning, gives clarity to those within local communities who are in need of a home about how their needs are planned to be met.

Many local authorities will likely revert to using household projection figures which cumulatively, deliver an annual housing figure of around 150,000 dwellings per annum (dpa) rather than meeting the Government's target of 300,000 dpa. The Government has not rescinded this target – but through these changes is effectively accepting that its proposed policy changes will fail to deliver its own target. Somewhat surprisingly, the knock- on impact of these changes is directly at odds with the stated objective of this Government to increase home ownership in this country.

I have already seen that mere rumours of this change have led to a number of Local Planning Authorities withdrawing or delaying their Local Plan process in the expectation that they will be able to bring forward very few or no housing allocations through their Local Plan, and will not need to justify their decision beyond adopting one of the 'exception clauses' offered in the NPPF to justify an alternative approach to housing need.

It is strongly recommended that clarity on 'exceptional circumstances' and 'local characteristics' is provided - without such details the efficacy of such a change cannot be known. There are three circumstances identified in the consultation proposals and NPPF changes that may result in a lower housing figure being argued as acceptable. These are set out below:

- Where there is no alternative but to remove land from the Green Belt to accommodate need;
- Where the resultant densities of meeting housing need would be out of character with the local area;
- Where there is clear evidence of over-delivery compared to the housing requirement in an existing plan.

I am under no illusion that for the vast majority of cases these 'local circumstances' will be used to demonstrate a lesser amount of development, or most bizarrely, past 'overprovision' (although arguably 'overprovision')

becomes a moot point if the measure against which it is overproviding is an advisory starting point only).

The understanding is that the above circumstances set out within the NPPF are presented as examples. Therefore, one could reasonably expect to see a number of other potential limitations or constraints being set out for consideration when determining the housing requirement in a Local Plan. This may reduce the number of otherwise sustainable developments coming forward that provide necessary supporting infrastructure whilst meeting housing need. The emphasis should be on the delivery of sustainable places that are fully considered in the planning balance against any of the potential limitations or constraints to the site – it is for this very purpose of balancing competing interests that the planning system exists.

On the matter of Green Belt specifically, the primacy of Green Belt as a policy - not an environmental - protection have long been rehearsed, and it is not expected that the current political climate will be keen to revisit some of the unintended consequences of adhering to Green Belt boundaries which should, for good planning and environmental policy reasons be reviewed. It should, however, be acknowledged in the NPPF that as with other national policies, there are circumstances under which the review and release of Green Belt land maybe necessary and acceptable in order to meet other policy objectives, including meeting the development needs of an area in a sustainable way when considering alternatives. Therefore, the approach should not be set out as firmly as it appears, that irrespective of the needs and characteristics of the local area, Green Belt somehow negates the obligation to review all locational and spatial development options as part of considering alternative ways to meet growth needs of a local area.

The approach to LPA's identifying a 5-year housing land supply once housing policies reach five years old is supported in principle. However, in the absence of detail on the procedural approach to Local Plan review a 'review' could result in LPA's concluding that there is no requirement to update the 5-year housing land supply. Particularly so if they are simply able to state that notwithstanding the shortfall in supply, Local Plan policies are 'up to date to facilitate growth' and thus no review of previous site allocation or forward delivery trajectory is required. If this approach were to be taken across districts within a housing market area, this risks incurring a significant shortfall within any given area which cannot be quickly rectified, severely impacting housing availability and affordability without a way of speedily addressing or

reversing the position. Details of the scope and procedure of reviews should therefore be included in the NPPF to assist positive plan making decisions.

I support the principle of directing development to urban areas and brownfield locations first. However, maintaining an uplift for those largest city authorities above the standard method – which is now advisory only – without any ability to secure a formal duty to co-operate or joint plan making outcomes across neighbouring authorities will serve to widen the gap between need and delivery.

This is so by failing to recognise (a) the relationship between cities and their hinterland (b) the types of housing required across the population of a conurbation (not all of which can be delivered on high density brownfield sites) and (c) the fact that by intensifying development to the extent proposed within urban areas will compromise urban green space (and access to it) and reduce space needed for other facilities and services designed to meet the growth in urban population (and could simply take us backwards to a ‘town cramming’ model of urban infill).

As an example, Bristol’s standard method, incorporating the 35% uplift, results in a requirement for 3,376 dwellings per year to be delivered. Over the past 3 years, less than half of this figure was met (1,579 dpa). Removing any requirement to consider the meeting of such significant unmet need in adjoining authorities – many of whom themselves rely on a vibrant and green city to meet wider infrastructure, employment and service needs - is not only misguided but will singularly compound the housing delivery picture across a wider area.

Further, the emphasis on urban areas delivering a higher percentage of the country’s homes will result in an increasing shortfall in the delivery of affordable housing – already at an all-time low in terms of net gains of social housing. Lower land values and costly remediation and infrastructure provision on urban sites means policy compliant levels of affordable housing are often unviable. In addition, the affordable housing that is delivered is often cancelled out by the Right to Buy. By way of example, Birmingham’s annual delivery of 3,177 new homes generated just 376 new affordable homes. However, the city lost 689 homes through Right to Buy sales, resulting in a net loss of 313 affordable homes last year.

Greenfield sites for development in sustainable locations, with infrastructure planned alongside new homes, should not be downplayed through deliberate

policy steer which undervalues their role of meeting housing – including affordable housing – needs of an area. The proposals set out in the consultation appear to step further away from providing housing for those in need, particularly in areas that have the greatest affordability issues, in favour of exacerbating the delays and paralysis around positive planmaking and delivery within a certain and well-understood planning framework.

Furthermore, the drop in housing provision which will come about as a result from the NPPF reforms, will have a direct negative impact on small businesses and local economies – including job losses, exacerbating the skills shortage and reducing apprenticeship opportunities in the construction sector at a time when there are already shortages in the sector post Brexit and the pandemic.

I have some very deep concerns that some Local Authorities are already resisting the need to address and deliver on their housing requirement. In my view this will be supported by the NPPF in their objectives of diminishing the amount of housing that is otherwise needed to support our existing and growing communities. As a result, sustainable developments that support the delivery of affordable homes and seek to address clear affordability divides, in certain parts of the country, will be ruled out without a lack of robust consideration let alone justification. This is not something that we are in anyway supportive and I urge that the consultation proposals retain the requirement for local planning authorities to meet their objectively assessed local housing need in full, working with their neighbouring authorities to do so in a matter which supports sustainable outcomes for all.

Concluding thoughts

The Levelling up Bill planned changes presents the NPPF in a “smoke and mirrors” initial changes, ahead of the wider review of the NPPF planned for next year, along with the NPPG amends, and the NDM policies. However, there are few references to net zero or how the Infrastructure Levy will work.

Although there are significant changes proposed within this consultation, on behalf of Muller I must strongly express our support of the plan led system and the support in accelerating plan preparation. This will give reassurance to housebuilders, communities, developers, promoters of land, and infrastructure providers. Muller continues to support the protection of this effective plan led system that ensures development is promoted in the most sustainable and suitable locations to meet the needs of existing and new communities.

Despite this, Muller are of the view that the proposals set out within this consultation are not balanced and fall short of providing the protection or incentive to plan making that should fully address housing need and infrastructure obligations. This ultimately undermines the collaborative working and the ability to deliver developments that successfully meet a wide range of social, economic and environmental objectives for the entire community.

Yours faithfully



Colin Muller
Chairman & Chief Executive