

# National Planning Policy Framework

## Home Builders Federation Response

The Home Builders Federation (HBF) is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes the largest builders operating nationally, regional developers and small, local builders. In any one year, our members account for over 80% of all new market housing built in England and Wales as well as a large proportion of newly built affordable housing.

HBF welcomes the publication of the draft NPPF and Government's continued efforts to speed up the delivery of housing through planning reform. There are a number of positive elements to the draft, particularly policies which seek to redress the imbalance in the system for SMEs, as well as policies which create a more consistent policy environment across Local Authorities.

However, there are areas which require further work in order to avoid impacting on the viability and deliverability of development, particularly in relation to Annex B and policies which seek to secure a mix of market tenures. This response provides comprehensive suggestions to improve the approach in both these areas which Government are urged to take on board.

Moreover, there are areas where policies could be made clearer, such as identifying which development plan would be responsible for implementing the policies, rather than stating 'at the most appropriate level', which will lead to confusion and potentially missed opportunity as development plans progress at varying times.

Finally, whilst the development of a more rules-based approach is an attempt to speed up decision making, there are some policies which conflict and it is necessary to provide some flexibility in order for the decision maker to be able to undertake a balanced judgement in determining applications to avoid applications being refused unnecessarily.

HBF looks forward to continuing to work with Government to develop a positive policy framework within which the housebuilding industry can deliver the homes the country needs.

### **1) Do you have any views on how statutory National Development Management Policies could be introduced in the most effective manner, should a future decision be made to progress these?**

HBF welcomes Government's intention to publish a suite of national decision-making policies as quickly and effectively as possible. However, the housebuilding industry has some concerns about the implications of not making these statutory at the outset. Whilst HBF acknowledges that the current NPPF works effectively in decision-making despite it being only a material consideration, when preparing statutory Plans, it is difficult to see how Local Authorities can place the same weight on a material consideration and leave out policies or not extend the reach of policies without fear of legal challenge.

This decision will also lead to inconsistency of application of the policies within the NPPF by local authorities, meaning that there will be further delays in decision making, which risks undermining the objectives around housing delivery.

Without making them statutory, it seems inevitable that the industry and local authorities alike will be waiting for legal challenges to define the weight that can be afforded to policies within the NPPF, which will undermine the confidence the industry has on the effectiveness of the NPPF, at least in the short term.

HBF recommends that the Government progresses making the decision-making policies within the Framework statutory immediately after its publication.

- 2) **Do you agree with the new format and structure of the draft Framework which comprises separate plan-making policies and national decision-making policies?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

- a) **Please provide your reasons, particularly if you disagree.**

The Framework as drafted reads as a clear document where policy references can easily be made. However, where policies conflict (density and design for example), greater clarity should be provided to the relative weight of those policies.

In addition, a list of train stations that qualify within Policy S5 would greatly assist in the interpretation of that policy.

Moreover, there are multiple references to ‘the Development Plan’ throughout the Framework and it would be beneficial to make explicit reference to Strategic Development Strategies, Local Plans or Neighbourhood Plans to make it clear which Plan within the hierarchy should include certain information. For example, in relation to the historic environment, Policy HE1 states that ‘development plans should, at the most appropriate level...’. Clearly this is the responsibility of Local Plans, and the policy would be clearer if it stated such.

Finally, HBF welcomes Policy PM13 which, if effective, will put a stop to policy creep and gold plating of standards. However, there appears to be uncertainty as to which standards are included. Greater clarity is required to remove any potential for misinterpretation or misapplication.

- 3) **Do you agree with the proposed set of annexes to be incorporated into the draft Framework?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

- a) **Please provide your reasons, particularly if you disagree.**

The list of annexes would benefit from expansion as set out below. There are several references to engagement with statutory consultees, which is fundamental to the success of Strategic Development Strategies. It would improve consistency if the Framework included a national list of consultees and organisations that Plan making authorities need to engage with. This would ensure that engagement is consistent and expectations on those organisations is clear, which will hopefully reduce decision making timescales because those bodies will have engaged in the Plan making stage.

A list of railway stations that fall within the Top 60 TTWA should be provided as a reference to improve the interpretation and understanding of policy S5. This would also help to allay spuriously expressed concerns by anti-development interests that Policy S5 will result in unfettered and inappropriate development. This is clearly not the intention of government and additional clarity around scope will help to neutralise any attempts to undermine the new NPPF.

- 5) **Do you agree with the proposed approach to simplifying the terminology in the Framework where weight is intended to be applied?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

HBF agrees that the approach is simpler. However, it means that certain matters are given more weight than they were in the 2024 Framework. For example, the partial or total loss of a non-designated heritage assets is given the same weight as designated heritage assets. This approach undermines the hierarchy of heritage assets and will give disproportionate and undue protection to non-designated heritage assets.

In addition, 'substantial' is not defined and whereas appeal decisions and the courts have established the weight hierarchy in the current system, it will take time for this interpretation to become established. The same applies to the use of 'appropriate' and 'proportional'.

There is also some reference to 'significant' which should be changed to substantial for consistency.

**6) Do you agree with the role, purpose and content of spatial development strategies set out in policy PM1? Strongly agree, partly agree, neither agree nor disagree, *partly disagree*, strongly disagree.**

**a) Please provide your reasons, particularly if you disagree.**

Policy PM1 is relatively clear as to what is expected for SDSs, however, there remain areas of crossover between LPs and SDSs which could lead to unnecessary pieces of work, impacting on resources of Local Authorities. In relation to Green Belts, it appears that Policy PM1 will require two Green Belt reviews, one at Spatial Development Strategy (SDS) level and one at Local Plan level. It would be helpful if this was made clear in Policy PM2 (despite it being stated in Policy GB2). It would appear that it will not be possible to rely solely on the Review carried out at SDS level as these Plans will identify broad locations rather than specific site allocations. Given reference is made to Local Plans in policy GB2 it should also refer to SDSs.

Moreover, whilst the intention of Policy PM6 is to streamline the work done in relation to the evidence base, which is an aim HBF supports, given the need to effectively carry out a Green Belt review twice, it should be made clear that the work undertaken for the SDS should not be started again but developed in more detail. Otherwise, there is a risk that the conclusions of the two processes will be different.

The success of regional strategic planning is in identifying infrastructure requirements and planning for them. It is therefore key that organisations responsible for infrastructure are engaged properly in the SDS process and the timings of other infrastructure plans such as for health, highways, ecology align with the SDS timeframe.

In addition, it would be helpful to specifically identify which organisations are expected to engage in planning for infrastructure. This should include NHS, National Highways, water and electricity companies.

HBF agrees that the SDS Plan period should be 20 years.

Guidance should be provided to confirm that the objectively assessed needs for each local authority will be scrutinised on the basis of realistic deliverability based upon past housing delivery. However, SDSs are not the appropriate point at which to consider five-year land supply. It is not feasible given the nature of broad locations. It should be clarified that local authorities cannot use the oversupply in a neighbouring authority to offset the lack of supply in its own area at Local Plan stage.

Specific reference should be added that SDSs need to be supported by a viability assessment. Whilst viability assessments are difficult at this level, given that infrastructure requirements will be included in the SDS it is necessary to have an understanding of the likely cost of that infrastructure to inform Local Plans. In addition, it is important broad locations for growth are considered in the context of viability in order to ensure that growth locations are not just focused on regeneration or large brownfield sites which are typically more viability challenged.

7) **Do you agree that alterations should be made to spatial development strategies at least every 5 years to reflect any changes to housing requirements for the local planning authorities in the strategy area?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree**.*

a) **If not, do you think there should be a different approach, for example, that alterations should only be made to spatial development strategies every five years where there are significant changes to housing need in the strategy area?**

SDSs are intended to provide certainty to Local Plan areas and for local authorities to develop Local Plans within the context of an SDS. A review every five years will create a level of uncertainty which will disrupt the Local Plan making process and give local authorities a reason not to progress a Local Plan.

In addition, the resource implications of reviews and Plan preparation need to be fully understood before timescales are set. Many authorities are under resourced currently and SDS teams are not yet fully recruited. There is a risk that SDSs teams will be recruited from Local Authorities which will further impact on the capacity of those Authorities to maintain up to date Local Plans. A review every five years could worsen this situation.

Because the Plan period proposed for Spatial Development Strategies is 20 years, it would be more appropriate for a review to be undertaken every eight years to allow for a new Plan if necessary to be produced by ten years. This would also enable changes to SDS policies to reflect changes in circumstance within Local Plan areas.

It would also be beneficial to identify circumstances in which amendments to an SDS are necessary to avoid political interference when there is a change in administration.

The housebuilding industry requires certainty to drive investment and as such it would provide far greater certainty if SDSs were seen as Plans that endured. Moreover, a review every five years threatens greater political interference that would lead to housing need apportionment changing between authorities.

8) **If spatial development strategies are not altered every five years, should related policy on the requirements used in five year housing land supply and housing delivery test policies, set out in Annex D of the draft Framework, be updated to allow housing requirement figures from spatial development strategies to continue to be applied after 5 years, so long as there has not been a significant change in that area's local housing need?** ***Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) **Please provide your reasons, particularly if you disagree.**

It is important that apportioned requirements remain the basis for the calculation of the five-year land supply until a new SDS is produced. This will deliver certainty for the housebuilding industry and drive investment. To do otherwise could lead to changes in apportionment and undermine investment decisions.

Reference to 'significant change' should be deleted as it undermines the overall approach in respect of the endurance of SDSs and could lead to lengthy debates between local authorities as to what constitutes a significant change.

9) **Do you agree with the role, purpose and content of local plans set out in policy PM2?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

a) **Please provide your reasons, particularly if you disagree.**

HBF strongly supports the focus on delivering more streamlined Plans more quickly. However, as identified in the response to Question1, given the non-statutory nature of the NPPF, it is difficult to see how Local

Authorities can be confident that the policies will have the necessary weight without the risk of potential legal challenge without repeating them in their statutory Local Plans.

Notwithstanding this, for clarity PM2 should direct Local Authorities to not repeat policies in the NPPF, similar to PM6 (1(c)).

Whilst HBF support the powers the Secretary of State has to intervene in Plan making, there may be tension between Local Authorities and those producing SDSs if SDSs are delayed. HBG does not want to see Plans being rushed and not aligning with SDSs as a result of this.

Clarification is required in respect of the review period. Policy PM2(3) states that the next Local Plan should commence after five years but that effectively means it would be adopted at eight years. If the intention is to have Plans reviewed every five years, the review will have to commence after 2 years.

**10) Do you think that local plans should cover a period of at least 15 years from the point of adoption of the plan? **Yes****

**a) If not, do you think they should cover a period of at least 10 years, or a different period of time. Please explain why.**

HBF considers that 15 years is a sensible plan period.

However, it should be noted that Inspectors need to ensure that past housing delivery is not taken into account in the 15-year period and that evidence of housing delivery and housing need are from the date of adoption and not prior.

In addition, wording should be changed from 'should' to 'must' for the avoidance of doubt and to avoid Plans being submitted that do not meet the requirements set out in the policy.

**11) Do you agree with the principles set out in policy PM6(1c), including its provisions for preventing duplication of national decision-making policies? **Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**a) Please provide your reasons, particularly if you disagree.**

The non-statutory nature of the NPPF will make it difficult for local authorities to rely on them without repetition in the Local Plan. HBF supports a reduction in duplication of policies, however, support needs to be given to Local Planning Authorities in the form of officer and member training so they can be confident of the weight that should be applied to policies within the Framework.

In addition, we note that the requirement for plans to '*contain policies that are clearly written and unambiguous, so it is evident how a decision maker should react to development proposals*' (para 16 of the existing NPPF) has been removed from the policy area. It is not uncommon for some LPAs to draft policies that are ambiguous and difficult to understand and apply. For these reasons we feel that the NPPF should also retain wording to ensure that Local Plans and strategic development are still drafted in a manner that are easy to understand. It is a well-established legal principle (*Tesco Stores Ltd v Dundee City Council* [2012] and *Trump International Golf Club Scotland Ltd v Scottish Ministers* [2015]) that planning policies should be drafted in plain language, not construed as if they were statutory or contractual provisions and policies should be understandable to an informed member of the public. It is important that policies are clear and unambiguous to avoid unnecessary appeals and litigation which can arise from disputes.

**12) Do you agree with the approach to initiating plan-making in PM7? **Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**a) Please provide your reasons, particularly if you disagree.**

In order to ensure the 30-month period is realistic and delivered, attention needs to be paid to when the 30-month period starts as local authorities may delay initiating this to avoid triggering the local plan preparation timetable.

Safeguards need to be in place to ensure that the 4-month notice period is not prolonged without appropriate justification, as this will inevitably reduce the extent of Local Plan coverage, undermining the Government objective of a truly Plan led system.

Moreover, the wording of PM7 needs to be strengthened by changing 'should' to 'must' in order to ensure Local Authorities meet the requirements of the policy.

**13) Do you agree with the approach to the preparation of plan evidence set out in policy PM8? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**a) Please provide your reasons, particularly if you disagree.**

The Government have produced a new Plan Making system which creates an ambitious 30 month programme, halving the average time it takes to produce a Local Plan currently. However, this focus on reducing the time it takes to produce a Plan is threaded throughout the Plan Making policies in Chapter 2 and in parts it threatens to undermine the quality of those Plans.

By implementing PM8(3) there is a risk that evidence will not be sufficiently up to date or take into account changes in circumstances since the Plan has been drafted. Whilst adopting a proportionate approach will drive efficiency, there should be a requirement to review the evidence base prior to submission of the Plan to ensure that it is robust and up to date, rather than assuming it is just because the plan has been prepared within 30 months.

This is compounded by the lack of safeguards over the 4 month notice period, as this could significantly extend the actual Plan making period and so evidence collected during this time could become out of date.

**14) Do you agree with the approach to identifying land for development in PM9? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**a) Please provide your reasons, particularly if you disagree.**

There should be a presumption that Local Plans will allocate sites so PM9 (2) should be reworded as follows:

*"In allocating sites, Plans should undertake an assessment with reference to national guidance..."*

Moreover, local authorities should be required through PM9 to provide reasons why certain sites are not allocated to improve transparency.

PM9 would benefit from specifying which Plan this is relevant to as most SDSs will not be identifying specific sites for development.

**15) Do you agree with the policies on maintaining and demonstrating cross-boundary cooperation set out in policy PM10 and policy PM11? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**a) Please provide your reasons, particularly if you disagree.**

Policy PM10(1) should remove the part in brackets (~~where there are strategic interdependencies across boundaries~~) as there are no local authorities that should act independently of its neighbours.

It should be made clear either here or in the glossary what other bodies, as a minimum, are intended to be engaged through this policy.

It should also be made clear that PM10(4) does not supersede the need to engage with other bodies and authorities. Responsibilities should be placed on infrastructure providers to provide information to the best of their knowledge at the time the Plan is being produced to create more certainty at the Plan making stage and avoid the risk of undermining the aims of PM12.

PM11 puts the onus on Plan making authorities. there should be greater clarity over what is robust and meaningful engagement by other parties. This should include where plan making cycles across boundaries do not align and where infrastructure plans cover different periods.

It would be helpful for those involved in the process if PM11 extended to other organisations as well as other authorities to make it clear that there needs to be evidence of cooperation.

**16) Do you agree that policy PM12 increases certainty at plan-making stage regarding the contributions expected from development proposals?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

Viability at the Plan making stage is challenging given the extent that is known about site circumstances and infrastructure requirements at the Plan making stage, which leads to Local Plan viability assessments being inherently unreliable.

Moreover, the uncertainty is worsened because most infrastructure planning and funding decisions are made after Plan adoption and cost inflation and cumulative regulatory and policy burdens (including RPD, building regulations, BNG, net zero requirements, levies and taxes) negatively impact the viability of sites.

If this is to be improved, greater emphasis needs to be placed on the engagement of infrastructure providers and other consultees so that greater reliance can be placed on infrastructure costs and s106/CIL contributions.

Policy PM12 should be strengthened to ensure that additional contributions are not sought at application stage. This will provide certainty for the housebuilding industry and help to drive investment but will also encourage bodies to engage properly at the Plan-making stage, minimising the propensity that some organisations have to wait until further into the process to seek further contributions. This back-ended approach leads to viability crunches and general uncertainty which produces poor outcomes for home builders and communities. Ensuring as much as possible is determined at Plan-making stage will also reduce the number of viability assessments at application stage because contributions will be known, understood and accounted for far earlier.

The production of a CIL charging schedule that is misaligned with the Local Plan timetable presents a further challenge as it can create an additional burden on sites which can change the viability picture. It should therefore be required that CIL charging schedules are produced at the same time as Local Plans (if at all).

Without this, this policy will be ineffective.

In addition, increased focus on viability at Plan making stage has resource implications for Plan making authorities and risks undermining the ability of those authorities to prepare a Plan within the 30 month timeframe. Local authorities need to be effectively resourced in order for this approach to be realistic.

Specifically, Local Plan viability assessments routinely fail to properly consider different typologies. As there is a greater focus within the draft NPPF on Plans identifying and accommodating the needs of different groups, greater emphasis and guidance needs to be given to assessing the viability of sites accommodating those needs, including older peoples housing and build to rent.

It is important that Local Authorities engage with the industry to understand the viability considerations of developing sites of different typologies and where it is demonstrated that certain types of development are not viable but there is a need for it, such as older persons housing, affordable housing levels should be set at a level that enables the site to be delivered. This is too often ignored currently and results in the need for a viability assessment at application stage. PM12 should be worded to explicitly allow differing levels of affordable housing to allow sites to be delivered.

Not doing so, causes confusion and mistrust at application stage with members of the public and Council members. This slows down decision making and the delivery of older peoples housing.

**17) Do you agree that plans should set out the circumstances in which review mechanisms will be used, or should national policy set clearer expectations?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

Viability challenges differ across the Country and as such to have a blanket requirement for review mechanisms set nationally is not appropriate. However, given the difficulties created by review mechanisms, both in terms of investment and impact on timescales national policy should indicate a minimum site size. This minimum should be set at least 500 units. Developments of less than 500 units are less likely to experience significant changes in costs and revenues that would warrant a review of contributions, particularly given the challenges that review mechanisms present as explored further below.

Review mechanisms negatively impact on the ability of developers to secure investment because they create uncertainty in relation to the amount of affordable housing being delivered either by way of on site delivery or financial contribution which impacts cost, revenue and profit. This disproportionately impacts SMEs who rely more heavily on external funding. High profile review mechanisms in London have contributed to a flight of investment away from the capital and a collapse in housing supply.

In addition, review mechanisms can lead to prolonged negotiations with local authorities over the calculation during the s106 process as well as when the review is actually triggered. As such further guidance on what formula should be used would assist in reducing the delays caused by the imposition of review mechanisms.

Moreover, s106 agreements often require that delivery is paused whilst review mechanisms are negotiated once they are triggered, impacting on continuity, site overheads and overall programming. Guidance should be issued which stipulates that this approach is not required.

**18) Do you agree with policy PM13 on setting local standards, including the proposal to commence s.43 of the Deregulation Act 2015?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

This is vital to provide clarity and consistency nationally, to ensure that home builders have the confidence to invest in new homes and communities. However, HBF is aware of different interpretations of this policy and it therefore crucial that either Policy PM13 or the glossary includes a list of standards that are included within PM13 and therefore prevented from being expanded upon by Local Authorities. For the avoidance

of doubt and as HBF understands is the intention of the policy, this should include policies related to embodied carbon and energy efficiencies.

There is an increased tendency of Local Authorities to gold plate standards or create additional standards that are not yet set at the national level. This proves particularly challenging for the homebuilding industry by way of costs and also new technologies that are not widely available.

In respect of embodied carbon for example, the Future Homes Hub has undertaken a series of work to determine the current benchmark before a national standard is set. This allows for industry to review and inform what technologies and materials are required to reduce embodied carbon. To set targets before the benchmark is known as well as before industry knows how it will achieve lower levels, or the cost of achieving those levels is damaging in terms of deliverability and viability.

There is currently insufficient cost information known about embodied carbon targets to fully assess the viability implications at Local Plan stage. Further time should be afforded for the Future Homes Hub to complete its work and a national standard to be set.

HBF understands that a number of Local Authorities are concerned about the implications of this policy as there are current gaps in some regulations. As such it is important that Government publishes the Future Homes Standard as soon as possible which will reassure Local Authorities that high levels of energy efficiency in new homes will be delivered.

HBF is concerned that there is insufficient evidence being submitted to demonstrate 'serious water stress'. It would be beneficial to include in PM13 the circumstances in which serious water stress can be demonstrated. Without this, there will be gradual creep of additional, inappropriate and uneconomic water efficiency standards which will affect the viability of developments.

See response to Policy HO5 in relation to footnote 18.

**19) Do you agree that the tests of soundness set out in policies PM14 and PM15 will allow for a proportionate assessment of spatial development strategies, local plans and minerals and waste plans at examination?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

**a) If not, please explain how this could be improved to ensure a proportionate assessment, making it clear which type of plan you are commenting on?**

The 'justified' test needs to be maintained to ensure that all types of Plans are demonstrably evidence-based.

Reference to an 'exception' when looking at objectively assessed need should be made stronger. HBF recommends that this is changed to 'wholly exceptional' to ensure the failure to meet objectively assessed need is based on robust and transparent evidence.

**"Positive** – the strategy sets out a positive approach to delivering growth which, as a minimum, seeks to meet the area's objectively assessed needs, and is based on effective joint working on cross-boundary strategic matters. A strategy which does not provide for objectively assessed needs ~~should~~ must be considered ~~an~~ *wholly exceptional*, and only where it is evidenced that stringent efforts have been taken to meet those needs through cooperation with other strategic planning authorities".

**20) Do you have any specific comments on the content of the plan-making chapter which are not already captured by the other questions in this section?**

HBF notes that there is an absence of questions in relation to Supplemental Plans and Neighbourhood Plans. It should be made clear in PM4 and PM5 that these Plans will not duplicate or supersede the NPPF, that they should be evidence-based and be accompanied by an impact assessment.

HBF has concerns that Supplemental Plans will have the potential to promote inappropriate policy creep, leading to proliferation of varying policies and approaches. It should be made clear that this cannot be used to bring in new standards or to gold plate existing policies.

The examining body for Supplemental Plans should be made clear. In addition, it should be stipulated that the tests for these Plans are similar to Local Plans to ensure they are deliverable.

**21) Do you agree with the principles set out in policy DM1?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

The proposals within draft Policy DM1 places all of the onus on the applicant and no responsibility on local authorities or other consultees to engage with the applicant or to do so within reasonable timescales. Moreover, it does not seek to differentiate between different application types.

Where a site is allocated or has an outline planning permission, for example, it should be clear that the principle of development has been established and does not need to be subject to additional consultation or pre-application engagement. Re-establishing the principle of development has been a limiting factor in the planning process over many years and has contributed to an ever-lengthening, risky route to delivery and, more widely, stagnant economic productivity indicators.

It should be made clear that the timescales for engagement should be reasonable so as not to delay the submission of a planning application. The requirement should be for the applicant to demonstrate that they have sought to engage.

Greater clarification should be provided as to what is the 'minimum necessary' requirements. This should not extend beyond the information in Annex C (with amendments as per HBF comments) and the local validation list (which should be approved by MHCLG as per HBF comments).

**22) Do you agree with the policy DM2 on information requirements for planning applications?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

HBF supports the drive to reduce the complexity of planning applications and reduce the level of information submitted with them. All too often local validation lists are overly onerous, requiring information such as lighting assessments or air quality assessments even where there are no sensitive receptors or impact zones. It is therefore important that local validation lists are approved by MHCLG to ensure there is not creep in the level of information required.

The list at Annex C should include an ecological assessment to prevent local authorities from requiring extensive ecological information where there are no protected species on site or impacted by development proposals.

Annex C should not include a requirement to demonstrate pre-application engagement. This requirement could be weaponised against the applicant in the event that it was not possible to engage with the local authority in a reasonable timescale.

To assist in addressing criticisms relating to the quality and consistency of applications, an executive summary should be required. This should be a concise document, similar to a non-technical summary in an Environmental Statement. It should include the detail of the proposals, the site description and size and it should be made clear that this information should not be repeated in other documents.

This would assist in making application documents shorter and avoid issues over inconsistency across application documents.

**23) Do you have any views on whether such a policy could be better implemented through regulations?**

The list within Annex C should be included in an updated Development Management Procedure Order and this should also include a restriction on local authorities publishing extensive local list of requirements. Local authorities should be required to issue local validation requirements to MHCLG for approval to ensure this approach is monitored.

**24) Do you agree with the principles set out in DM3? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

The wording of DM3 does not go far enough in relation to consultees. This will not result in the step change needed to dramatically improve decision-making timescales. The wording of DM3(d) should be changed as follows:

*Consult statutory or internal consultees only where it is necessary to do so. Decisions on development proposals should not be delayed in order to secure advice from a statutory or internal consultee beyond their statutory deadlines ~~unless there is insufficient information to make the decision or more detailed advice may enable an approval rather than a refusal;~~*

Local authority officers will still be able to use their professional judgement to determine whether they need to wait for the consultee to respond but as worded it will invite those that wish to refuse an application or delay decision making to claim there is insufficient information to make a decision.

Moreover, greater emphasis needs to be placed on the proactive role statutory and other consultees need to have in the development management process.

It should also be made clear that Local Authorities should accept amendments or supplemental information that would make applications acceptable. In an effort to meet targets and in light of resourcing pressures, there is a growing tendency of Local Authorities refusing to accept additional information throughout the determination period of an application. This results in additional time and cost to the developer and ultimately delays the delivery of housing.

**25) Do you agree that policy DM5 would prevent unnecessary negotiation of developer contributions, whilst also providing sufficient flexibility for development to proceed? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

As set out in response to question 16, there are intrinsic difficulties in relying on Local Plan viability assessments and to a certain extent planning application viability assessments are therefore inevitable and done for very valid reasons. Moreover, where it is demonstrated that a site is not viable, it should not be the aim of policy to subvert this process.

HBF do not consider that this policy will reduce the level of negotiation of developer contributions. The policy broadly represents what is currently undertaken by way of best practice and reflects what is set out in the PPG and RICS “*Financial viability in planning: conduct and reporting*”.

**26) Do you have any further comments on the likely impact of policy DM5: Development viability?**

The wording of DM5 needs to be tightened or further guidance provided as to what constitutes ‘substantial’ or ‘significant’ to prevent lengthy debates between local authorities and applicants before a viability assessment is even submitted. The nature of a site and development proposals will determine what is significant or substantial and it may not be the same on different sites. For example, biodiversity net gain which wasn’t factored into a Local Plan viability assessment may have an impact on the costs for one site that makes it unviable but not for another site.

In respect of the wording, HBF makes the following suggestions:

2(a) change significantly to *material*;

2(c) change unforeseeable to *unknown* to provide better clarity.

It is generally accepted that costs and revenues change over time and given a Plan period covers 15 years, it is not surprising that the viability of sites can change throughout the course of this period. As such it should be acceptable for applicants to undertake site specific viability assessments when there is a material change in costs and revenues rather than the need for these change to be significant. This will enable sites to be delivered, increasing housing delivery, including affordable housing delivery.

DM5(6) is not necessary if review mechanisms are already suggested in Local Plan making. However, HBF would highlight that the risks associated with review mechanisms in respect of housing delivery and investment as set out in the response to Question 17. If review mechanisms are pursued, it should only be applied on developments of over 500 units.

For further comments on Annex B please refer to questions 200-212.

**27) Do you have any views on how the process of modifying planning obligations under S106A, where needed once a section 106 agreement has been entered into, could be improved?**

**a) If so, please provide views on specific changes that may improve the efficacy of S106A and the main obstacles that result in delay when seeking modification of planning obligations**

The current method for renegotiating s106 obligations is inflexible and does not allow for the parties to respond quickly to changes in market conditions or development costs by modifying obligations. The current system is evidently not working effectively as Government has announced measures to encourage more flexibility. However, more needs to be done. The current timeframes restrict re-negotiation to 5 years after the permission was granted. Apart from in multiphase strategic sites this is often impractical given that the statutory time period for implementing a permission is three years. As such, at the very least s106A needs to be amended to a two year period which would allow for renegotiation before a permission lapsed.

In addition, there needs to be clarity provided in legislation that s106A applications can result from viability challenges in the development process.

Government has previously acted decisively on issues of viability, bringing in s106BA in 2013 for a time limited period. This was effective in enabling applicants to revisit viability on stalled sites in light of changing economic circumstances.

This isn't necessarily about reduced levels of affordable housing but about driving housing delivery, without which no affordable housing will be delivered and HBF recommends that s106BA is redeployed as a mechanism to address stalled sites.

Finally, the use of s73B is being encouraged by Government but the industry requires guidance over what 'substantial' means and for it to be made clear that the level and type of affordable housing can be renegotiated through these applications. It also needs to be made clear, that the percentage of Affordable Housing should be included in a condition on a planning permission to enable a route for making a s73B application whereas currently a s96A application would be needed first to impose a condition which could then be varied. This is an overly bureaucratic and time consuming process which with a small change would not be necessary.

**28) Do you have any views on how the process of modifying planning obligations could be improved in advance of any legislative change, noting the government's commitment to boosting the supply of affordable housing.**

**a) If so, please provide views on the current use of s73 and, if any, the impact on affordable housing obligations.**

The industry requires further guidance on the limits of s73B(5) and what level of change is intended to be restricted by the term 'substantial'. It needs to be made clear that changes to the amount, type and mix of affordable housing is permissible under s73B(5).

There are legitimate changes to planning proposals that require the use of s73 and those may have impacts on the viability of development which may then necessitate a renegotiation of planning obligations. It would assist in the perception of these applications if additional guidance was given through the PPG to reinforce best practice of local authorities appointing independent viability consultants to assess the developer viability assessment. This would make it clear that it is a transparent and independent process.

**29) Do you agree with the approach for planning conditions and obligations set out in policy DM6, especially the use of model conditions and obligations? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

The industry cannot comment on the efficacy of this policy without the publication of model conditions and obligations that support it. The use of model conditions and obligations has the potential to significantly reduce decision making timescales and streamline work for planning officers, but it is crucial that the industry is involved in the preparation of these. Moreover, it needs to be made clear that local authorities should use these model conditions unless there are exceptional reasons (rather than strong).

DM6(3) needs to reference statutory timescales in determining applications to discharge conditions rather than 'a timely manner' which is not precise enough and conflicts with article 27 of the DMPO.

**30) Do you agree that policy DM7 clarifies the relationship between planning decisions and other regulatory regimes? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

The publication of the NPPF presents an opportunity to strengthen the way the planning system requires others to engage. DM7 should set out how statutory and internal consultees and external organisations should engage with the system to address the extended decision-making timescales. As drafted the NPPF is ineffectual in this regard and will not address the ever-lengthening decision-making timescales or empower local authority officers to determine applications where consultees are silent.

Policy DM7(1) should be made stronger by rewording as follows:

Development proposals should be assessed on the basis of whether they would be an acceptable use of land. Matters which are controlled by separate regulatory regimes may, in the context of a particular development proposal, be a material consideration where they have land-use implications. Decision-makers should assume, ~~unless there is clear evidence to the contrary,~~ that those separate regimes will operate effectively.

It is for those other regulatory regimes to make it clear where it is not working effectively and not for the decision maker to determine as such.

**34) Do you agree with the proposed approach to setting a spatial strategy in development plans?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

Policy S2 should make clear which Plan(s) should include a spatial strategy. It would not be appropriate for SDSs to include settlement boundaries given these may change as a result of the Local Plan.

S2 should be made stronger by changing ‘plan should set out...’ to ‘plan *must* set out’.

**35) Do you agree with the proposed definition of settlements in the glossary?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

The definition is positive and provides clarity for other policies in the Framework, except reference to ‘predominately’. This is not necessary as it is clear at the end of the definition what is excluded from being a settlement.

It would be helpful to provide a clear definition of built up area, village, town and city to limit the potential for lengthy negotiations and potential legal challenge.

**36) Do you agree with the revised approach to the presumption in favour of sustainable development?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

**37) Do you agree to the proposed approach to development within settlements?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

HBF has significant concern in relation to S4 (2(c)). There are policies within the Framework that direct refusal but which conflict with other policies that also direct refusal. As such, if this approach is taken, no development within settlements would be acceptable. This needs to be addressed if the approach in S3(c) is to remain.

For example, policy L3 directs refusal for development that does not make effective use of land and in certain cases sets densities at 40 or 50dph. However, in striving to meet these or other locally set densities,

proposals may fall foul of design criteria in DP3 and therefore failing to meet the requirements of ‘good design’, which also results in refusal.

In addition, to the implications resulting from the inherent conflicts between certain policies and to enable the decision maker to carry out a planning balance judgment, S4(2(c)) should be reworded to “*Fail to comply with the NPPF when taken as a whole*” .

**38) Do you agree to the proposed approach to development outside settlements? Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree.****

**a) Please provide your reasons, particularly if you disagree.**

As set out in relation to question 37, there are clear conflicts between policies which direct refusal which will lead to planning applications being refused.

The clarity provided in Policy S5 is welcome in respect of it including a list of types of development that are acceptable outside of settlement boundaries but it is crucial that this new rules based system does not prevent the application of the planning balance in all cases and as such there needs to be more flexibility in the wording. As such, it is recommended that the wording of S5(2) is amended to “*would fail to comply with the NPPF when taken as a whole*”

In respect of criteria (h) it is considered that development that is within reasonable wheeling distance should also be acceptable given the improvements that can be made to cycle connectivity as a result of development and that people can be generally expected to cycle further than they walk., This could open up sites that are slightly further away from a train station without increasing the likelihood of increased travel by car.

The inclusion of land around train stations has been heralded as an ambitious policy but there are caveats within part (h) which could lead to it falling short of the goal of increased housing supply. The use of the Top 60 TTWA areas not only needs clarifying through publication of the list of stations that fall within these areas but also risks leaving out a significant number of locations that are likely suitable for additional housing and contribute significantly to housing supply, but which will be excluded from these provisions.

According to Lichfields<sup>1</sup>, this policy approach could deliver around 632,600 homes for development but if the area was increased to the top 80TTWA a further 854,000 homes could be delivered. Noting that these are estimates based on undeveloped land around stations, not all of which will come forward for development.

When reviewing the TTWA, it shows that this approach is nonsensical and increasing to the top 80 would result in a far more logical cut off. For example, where Gloucester and Swindon are in the Top 60, Cheltenham, which is on the direct train line to Bristol, is not. The same applies to Newbury, with more than 50 trains to London Paddington per day, which is not included in the 60 TTWAs.

The approach also leads to a regional bias with the North East and South West having fewer areas that are within the Top 60.

HBF appreciates that there needs to be a level of predictability and certainty as to which areas would be subject to this new approach, it is considered that using the TTWA is too blunt and leaves out areas that could deliver much-needed housing in a sustainable manner. This approach has unintended consequences

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<sup>1</sup> “All aboard or stuck between stations? How the new NPPF might unlock growth around rail stations”  
<https://lichfields.uk/blog/2025/december/16/all-aboard-or-stuck-between-stations-how-the-new-nppf-might-unlock-growth-around-rail-stations>

of places missing out on significant investment and growth which amplifies the issue of having such a high level of regional bias.

In addition, the TTWA is based on 2011 census data which is significantly outdated so may not reflect the areas of greatest productivity today.

HBF urges Government to reconsider what tool is used to identify the most suitable areas.

Turning to the definition of well connected, again, it is the view of HBF that the frequency of services is too blunt a tool. It is not uncommon for train operators to adopt differing peak and non-peak frequencies and to apply the frequency to an all day service doesn't allow for this variation. It is considered more appropriate to apply a peak service requirement.

Whilst Policy S5 is in the main a strengthening of the Presumption, it seems that Policy S5(4) is an unnecessary restriction. It goes without saying that development proposals that do not fall within those listed in Policy S5(1(a-j)) are not acceptable, however, to add 'should only be approved in exceptional circumstances' imposes an extremely high bar. It should be for the local authority to exercise a degree of planning judgment as to whether other types of development are acceptable according to the benefits presented in the application. These should not have to amount to exceptional circumstances.

**39) Do you have any views on the specific categories of development which the policy would allow to take place outside settlements, and the associated criteria?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

**a) Please provide your reasons.**

The categories should be expanded to include specialist housing for older people in order to address the critical need for such housing.

See answer to question 38.

**40) Do you agree with the proposed approach to development around stations, including that it applies only to housing and mixed-use development capable of meeting the density requirements in chapter 12?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

**a) Please provide your reasons, including any evidence that this policy would lead to adverse impacts on Gypsies and Travellers and other groups with protected characteristics.**

See answer to Q37 and 38.

In addition, the strict density requirement of 40dph and 50dph is overly prescriptive. In some areas this may not be appropriate and lead to design which is not supported locally. This approach could also lead to refusals of planning applications based on Policy DP3.

HBF acknowledges the desire to increase density within settlements and the drive to deliver more housing, however, in edge of settlement locations where prevailing density is significantly lower, most likely between 25dph and 35dph, a significant increase is likely to be problematic. It may also lead to increased local opposition, prove physically and logistically difficult given locally set parking standards, the requirement to meet the national guidance for SuDS as well as the criteria set out in Policy DP3.

It would be more appropriate for density standards to be locally set and for applications to be required to demonstrate an efficient use of land taking into account other policy requirements and those locally set standards.

It is considered that mixed use and residential development are the most appropriate categories of development around railway stations given the need to reduce car based travel and connect people with their place of work.

**41) Do you agree that neighbourhood plans should contain allocations to meet their identified housing requirement in order to qualify for this policy?** *Strongly agree, partly agree, neither agree or disagree, partly disagree, **strongly disagree.***

**a) If not, please provide your reasons**

Given the relatively limited level of scrutiny afforded to Neighbourhood Plans it is unwise to give them too much weighting. Not only should Neighbourhood Plans need to accommodate allocation(s) to meet its housing need, five years should be reduced to three years and should not apply if the local authority area cannot demonstrate a 5 year land supply or meet the HDT at 75% or more.

Because of the reduced funding available to Neighbourhood Plan areas, it is becoming increasingly the case that only wealthy areas, with residents willing to fund a Neighbourhood Plan themselves are seeing them produced. This will inevitably result in an inequality in the areas becoming protected and those seeing development.

If this approach is not changed, then the basic conditions at Examination need to be replaced with tests of soundness and the expectations in respect of the evidence required for Neighbourhood Plans need to increase.

The current approach will prevent speculative applications for housing development which will undermine the ability to meet the Government's ambitious housing policy.

**42) Do you agree with the approach to planning for climate change in policy CC1?** *Strongly agree, **partly agree,** neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

The approach to planning for climate change is broadly acceptable but requires clarification that local authorities must not set energy efficiency or embodied carbon standards through allocations or Supplemental Plans and that planning applications do not need to demonstrate that any standards have been met.

**43) Do you agree with the approach to mitigating climate change through planning decisions in policy CC2?** ***Strongly agree,** partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) If not, what additional measures could be taken to ensure climate change mitigation is given appropriate consideration?**

**44) Do you agree with the approach to climate change adaptation through planning decisions in policy CC3?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree,** strongly disagree.*

**a) What additional measures could be taken to ensure climate change adaptation is given appropriate consideration?**

No additional measures are required. In respect of CC3(1(d)) reference to overheating should be removed. This is covered appropriately by Part O of Building Regulations.

**45) Does the policy on wildfire adaptation clearly explain when such risks should be considered and how these risks should be mitigated?** ***Strongly agree,** partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons

**46) How should wildfire adaptation measures be integrated with wider principles for good design, and what additional guidance would be helpful?**

Given the increased concern about wildfires and possible increased prevalence, it would be useful for design practitioners and planners to have access to additional design guidance.

The Design and Placemaking PPG would be the most logical place for such guidance.

**47) Do you have any other comments on actions that could be taken through national planning policy to address climate change?**

**48) Do you agree the requirements for spatial development strategies and local plans in policy HO1 and policy HO2 are appropriate?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

Policy HO1 is clear and provides a good basis for assessing the needs of different groups in a Local Plan or SDS. However, it needs to be made clear that once those needs have been established, they should be identified in the Local Plan. Too often, the needs of different groups are not differentiated from general needs housing in terms of quantum which results in Local Plans that do not adequately meet the needs of those groups.

In order to ensure that housing requirements are included in SDSs, the wording of Policy HO2 needs to change from 'should' to 'must'.

Moreover, however, should include a requirement of a certain proportion of housing requirements for each local authority area to be within that local authority area to avoid politically motivated mishandling of the number of homes within certain areas.

In addition, Policy HO2 continues to provide inappropriate and disproportionate levels of protection to Neighbourhood Plan areas. By including 'unless it is impractical to do so' gives local authorities a reason not to impose housing delivery requirements, worsened by 'because a neighbourhood plan area has been designated at a late stage...' which gives Neighbourhood Plan areas no incentive to be designated early and be part of the local plan process because if it is designated late no housing requirement figure will be required. Instead, there should be a period in which it is not possible to designate a Neighbourhood Plan area, for example after the Plan has passed Gateway 2, which would incentivise those who are part of a Neighbourhood Plan area to actively engage in the Local Plan process.

Furthermore, HO2(5(b)) should be deleted or expanded upon to include what evidence would qualify as demonstrating no need for housing.

**49) Is further guidance required on assessing the needs of different groups, including older people, disabled people, and those who require social and affordable housing?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) If so, what elements should this guidance cover?

Additional guidance should be provided that elaborates as to how the needs of different groups are then identified in Local Plans. Data should be presented in a consistent manner across Local Plans and Government should make clear how this should be done.

For example, Strategic Housing Market Assessments often include data for a range of groups including older people, families, shared ownership, renters et al. However, there is no consistency in presentation. Sometimes this is whole numbers over a Plan period, sometimes it is percentage requirements over a plan period and sometimes it is percentage requirements for every application. This variance makes it difficult to interpret and having one form of presentation and data type for each group would be much simpler and provide the industry and policymakers with neater and more useable data with which to compare across boundaries and over time.

In addition, consideration should also be given to the demand for certain types of housing, not just need and local authorities need demonstrate that there is evidence of demand during the preparation of Local Plans.

**52) Do you agree the new Annex D to the draft Framework is sufficiently clear on how local planning authorities should set the appropriate buffer for their local plan 5-year housing land supply?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

**53) Do you agree the new Annex D to the draft Framework is sufficiently clear on the wider procedural elements of 5-year housing land supply, the Housing Delivery Test and how they relate to decision-making?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

Annex D (8) should be changed so that local planning authorities must identify and update annually a supply of specific deliverable sites.

The consequences of not being able to demonstrate a five-year supply of deliverable sites should be included as it is for the Housing Delivery Test (HDT) consequences.

Having identified the need for different types of housing, it is necessary for the test to be applied to those different forms and not just general needs housing, and this should be incorporated within policy.

**55) Do you agree the plan-making requirements, for both local plans and spatial development strategies, in relation to large scale residential and mixed-use development are sufficiently clear?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

It would be useful to define, in the glossary, large scale development. Policy HO4(2) suggests it is for significantly large development i.e. New Towns but it remains unclear and will lead to confusion which may lead to some authorities imposing inappropriate requirements.

HO5(1)(d) sets a threshold of 150 which is far too small to accommodate a true mix of tenures. This is only realistic on truly strategic sites and is not always appropriate depending on the location. For further comments, please refer to Question 60.

HO5(2(c)) is only necessary if Policy HO5(1(d)) is deleted.

**57) Do you agree with our proposals to ask authorities to set out the proportion of new housing that should be delivered to M4(2) and M4(3) standards?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**58) Do you agree 40% of new housing delivered to M4(2) standards over the plan period is the right minimum proportion?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree.***

**a) Please provide your reasons, and would you support an alternative minimum percentage requirement?**

HO1(b) is sufficient in requiring Local Authorities to set a requirement, which should be based on evidenced local need. Setting a minimum at a national level is not necessary and could impact on the viability of developments depending on their location and/or typology.

However, if a national benchmark is to be set, grouping M4(2) and M4(3) together demonstrates a lack of understanding in the delivery of these types of units.

For example, delivering M4(3) housing in market dwellings is difficult. It significantly increases the size of the unit and in apartment schemes increases the size of communal areas, which is an issue compounded in retirement development given the large amount of communal space provided in those schemes.

This significant increase in size, as well as the costs associated with the adaptation requirements increases construction costs, the impact of which cannot be determined at a national level.

Furthermore, even where there is an evidenced need for M4(3) housing in a local area, it does not necessarily mean there is a market and given there are no nominations in market housing, it also doesn't mean that the M4(3) unit is bought or occupied by someone in need of it. As such, local authorities should only be required to set M4(3) requirements for affordable housing where it can be confident that the unit will be occupied by someone in need.

In light of this, having a standard for M4(2) may be acceptable but the current wording risks Local Authorities requiring the whole 40% as M4(3) which is fundamentally not deliverable. This should be changed to an M4(2) requirement only and M4(3) for affordable dwellings to be set based on local need.

**59) Do you agree the proposals to support the needs of different groups, through requiring authorities to identify sites or set requirements for parts of allocated sites are proportionate?** *Strongly agree, **partly agree,** neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

It is positive that Government is recognising the importance of meeting the needs of different groups. However, it is not always practical to have those groups accommodated as part of a wider allocation as a blanket requirement. It is important that the Local Authority engages with industry and other relevant stakeholders when allocating parts of sites for different groups.

The mix of alternative market tenures needs to be based on local need and deliverability. Without such an assessment it risks undermining the delivery of all housing as it may render sites unviable. This is evidenced by the recent lack of RP demand that has left many sites undeliverable and caused the Government to intervene with recent announcements encouraging flexibility in the approach to on site affordable housing. It is vital that the need is assessed on a local basis and that the deliverability of a mix of tenures is assessed at Local Plan stage.

Many retirement living developers provide accommodation in highly sustainable locations within existing settlements in close proximity to services and facilities. Conversely, whilst strategic sites will become sustainable, allocating part of a Strategic site for retirement living when the site will not deliver services and facilities until much later in the development programme is at odds with the benefits of retirement

living and will also presents challenges in terms of the deliverability of the site because retirement occupiers are less likely to move into a development when there are limited existing services and amenities close by.

Guidance therefore needs to be provided to local authorities to advise them not to accommodate all of the local authority need on large strategic sites.

**60) Do you agree with our proposals to ask authorities to set out requirements for a broader mix of tenures to be provided on sites of 150 homes or more?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree**.*

**a) Please provide your reasons and indicate if an alternative site size threshold would be preferable?**

As set out in response to Question 59, there should not be blanket requirement for a mix of different tenures. The need and demand for different market housing types should be assessed at the Local Plan level.

Notwithstanding the foregoing, 150 units is far too small to be delivering an extensive range of tenures, except private and Affordable Housing. Moreover, for most alternative tenures it would not provide a sufficient quantum that would make it deliverable.

It is understood that government believes that this approach will speed up build out rates and lead to more new homes being built but this fails to recognise the economics of home building or the realities of the market. Markets for certain types of housing cannot be created from scratch by an individual home builder and nor can a directive from Whitehall achieve sufficient activity.

It is a general principle of home building that when a site has an implementable planning consent (and all other necessary consents), all things being equal, it is strongly in the interests of a builder to build homes and sell them. These sales can be into various and multiple markets, including to individual home buyers, investor buyers and to Affordable Housing providers. Ultimately, the functioning of these markets along with considerations around actual construction speed determine how quickly the site can be completed.

What delays initial commencement is the length it takes to get planning permission and the various agreements needed subsequent to that, such as s278 agreements and s104 agreements or permitting by the EA.

Pursuing a planning consent is a costly and risky endeavour and often one with an uncertain timeframe attached. Beyond the often very sizeable costs of the planning and design involved there are significant costs of capital and a home builders' ability to recover and make a return on that outlay will determine the long-term success of the business. Furthermore, maintaining an active site involves an intensive capital outlay. Delaying the start on site or the completion of the site is not in the interests of a developer.

By historical standards, all evidence suggests that current build out rates are reasonably robust. The decline in house building numbers, is driven by the major reduction in the number of active sites. Government has noted that one reason for significant undersupply of new housing has been the proliferation of planning policies and burgeoning planning process requirements. While much of the reform of planning has been directed towards streamlining planning, measures such as this threaten to impose overly prescriptive requirements.

It should be noted that government's preoccupation with supporting the private rented sector, PBSA and Build to Rent sectors through planning policy and via the tax system (such providers are exempt from Residential Property Developer Tax, for instance) may come at the expense of Affordable Housing and home ownership which surveys show remains the preferred tenure for many albeit while it is being driven out of reach for many younger households.

For example, a grey belt site meeting the golden rules with 50% affordable housing (75 units), this leaves 75 units to be split between market and another tenure. This provides little incentive for a housebuilder to develop the site, and it is difficult to see what other tenure except perhaps self/custom build, it would be appropriate for.

HBF acknowledges that this proposal is intended to drive build out rates by increasing the number of developers effectively operating out of one site, but it is not deliverable to do so at such a small scale.

Moreover, whilst developers already seek to optimise build out in the context of housing need and market demand, not all sites are in locations where student accommodation, BTR or retirement providers are willing to develop sites or take units. As such, this policy is undeliverable. The requirement should be placed on Plans to identify on which sites a mix of tenures can be delivered based on evidence of the market.

Setting a blanket national requirement could render some sites undeliverable, resulting in housing not being delivered, undermining wider objectives of Government.

**61) Do you agree with proposals for authorities to allocate land to accommodate 10% of the housing requirement on sites of between 1 and 2.5 hectares? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons**

It is already established in national policy that local authorities need to identify land for small sites. However, the majority of local authorities do so through windfall requirements which fails to meet the needs and provide the certainty to SME housebuilders. Too often reliance on windfall sites means that SME developers are faced with having to appeal local refusals of planning permission, which is not only excessively costly but also a further time delay.

As such, to require that local authorities specifically allocate sites of this size and up to 2.5ha is a really welcome proposal.

HBF recommends that ‘*unless there are strong reasons why these targets cannot be achieved*’ is either removed or further guidance provided as to what those strong reasons might be. Local authority resource should not be a reason.

**62) Are any changes to policy HO7 needed in order to ensure that substantial weight is given to meeting relevant needs?**

No further comment.

**63) Do you agree that proposals to add military affordable housing to the definition of affordable housing, and allow military housing to be delivered as part of affordable housing requirements, will successfully enable the provision of military homes? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

HBF is concerned that by including military affordable housing there may be unintended consequences of reducing the amount of affordable housing delivered for local people and the housing needs of an area would not be addressed.

Military affordable housing would be better delivered either as part of the specialist housing identified in HO1 or on large sites as an alternative tenure in HO5.

**64) Do you agree flexibility relating to the size of market homes provided will better enable developments providing affordable housing?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

Allowing flexibility in market mix will assist developments that are marginally viable being able to meet the affordable housing requirement.

**65) Would requiring a minimum proportion of social rent, unless otherwise specified in development plans, support the delivery of greater number of social rent homes?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) If so, what would be an appropriate minimum proportion and development size threshold taking into account development viability?**

The tenure of affordable housing should be based on local housing needs evidence taking into account viability. A requirement should not be set nationally. Setting a requirement nationally could lead to unintended consequences in terms of viability which would actually lead to fewer affordable homes being delivered.

**67) Do you agree that applicants should have discretion to deliver social and affordable housing requirements via cash payments in lieu of on-site delivery on medium sites?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

In light of the well documented issues around RPs taking up affordable homes, it is vital that there is an alternative mechanism to secure policy compliant levels of affordable housing.

In addition, there are some forms of development where off-site provision is the only practical form of provision, namely older peoples housing. Commonly older peoples housing is delivered in single blocks whereby having different management regimes is not possible. Moreover, the service charges associated with older peoples housing renders it difficult for registered providers to deliver. Given the lack of understanding of these issues amongst Local Authorities, which leads to delays in decision making, clear identification within national policy that this is an acceptable approach would be very beneficial.

**a) If so, would it be desirable to limit the circumstances in which cash contributions in lieu of on-site delivery can be provided – for example, should it not be permitted on land released from the Green Belt where the Golden Rules apply? Please explain your answer.**

No. The policy should apply as a blanket. This policy will primarily benefit SMEs and the difficulty in delivering affordable housing on sites of this size does not change if it is a Green Belt site.

**b) If you do not believe applicants should have blanket discretion to discharge social and affordable housing requirements through commuted sums, do you think cash contributions in lieu of on-site delivery should be permitted in certain circumstances – for example where it could be evidenced that onsite delivery would prevent a scheme from being delivered? Please explain your answer**

Applicants should have blanket discretion. To apply a deliverability test imposes additional layers of bureaucracy, cost and time delays that disproportionately impact SMEs.

**68) What risks and benefits would you expect this policy to have? Please explain your answer. The government is particularly interested in views on the potential impact on SME housing delivery,**

**overall housing delivery, land values, build out rates, overall social and affordable housing delivery, and Registered Providers (including SME providers).**

The benefits of this approach will significantly improve the ability of SME housebuilders to deliver sites quickly. Whilst the Registered Provider (RP) market has been challenging for the industry as a whole, it is well known that even before the most recent issues in the Section 106 market, RPs have long been reluctant to take on sites with a small number of affordable homes due to the realities and economics of managing a fragmented portfolio of properties.

Given the restrictions in place in s106 agreements on the timing of the delivery of market units vs affordable housing, this has meant that SME developers, who deliver the most sites within the medium category, have been faced with significant delays in housing delivery, which has substantial financial consequences.

HBF recognises that the risk of this policy lies in the level of financial contribution, the transparency of the calculation and the ability of the local authority to spend the contribution effectively.

Financial contributions in lieu of on-site provision already exist, however, not all local authorities have a published calculation, and not all local authorities use the same calculation. This leads to delays as developer appointed consultants calculate commuted sum amounts and negotiate with local authorities. This approach it also often leads to disproportionately high sums when the difference in Gross Development Value between the on-site and off-site schemes is the only factor in the calculation, rather than the difference in Residual Land Value which takes account of additional costs as well as revenue of having a fully market scheme.

It is therefore imperative that Government publish a calculation to be used nationally which is based on Residual Land Value.

**69) What guidance or wider changes would be needed to enable Local Planning Authorities to spend commuted sums more effectively and more quickly? Please explain your answer.**

It is well known that it is difficult for local authorities to spend financial contributions, given not all of them are Registered Providers or have significant land holdings. If the proposal to expand the use of financial contributions is to be successful and accepted by local authorities, the ability to spend the financial contributions needs to improve.

HBF has published several reports, using information obtained via the Freedom of Information Act 2000, to identify where developer contributions, including Affordable Housing funding, is going unspent, in some cases tens of millions of pounds being held for five to 10 years. Not only does this lead to poor outcomes for communities, but it also means that the positive benefits of development are not being experienced.

Local authorities are required to publish Infrastructure Funding Statements, but the most recent data obtained by HBF showed that fewer councils than ever are actually transparently and effectively accounting for the expenditure or non-expenditure of developer contributions.

Where local authorities do spend financial contributions, this is often by acquiring affordable housing outside of s106 agreements through additionality. These are acquired at a higher percentage of market value than those that are secured via s106 agreements. This leads to criticism that financial contributions do not represent good value for money or equate to the same number of affordable housing units than could be delivered on site.

HBF proposes that a better use of the financial contribution would be for local authorities to be able to top up affordable housing on sites that are not viable and effectively recycle off-site payments into on site affordable housing. This would mean that units would not be purchased at a higher percentage of market

value, the units would be purchased or money given to a Registered Provider to make other applications policy compliant or closer to policy compliant.

For example, if an application is submitted supported by a FVA that demonstrates that it can only support 10% affordable housing. The Council's independent assessor agrees that this is the viable level. The Council has sufficient funds from other financial contributions to top up the affordable housing level (based on the values within the FVA) and consequently an application that was previously unviable is now policy compliant. This contribution can be secured in the s106 and given direct to the RP who acquires the rest of the affordable housing units.

This would assist housing delivery in a number of ways, including increasing build out rates for both market and affordable housing, improved assistance for SMEs and improved development viability.

**70) Would further guidance be helpful in supporting authorities to calculate the appropriate value of cash contributions in lieu?**

- a) If so, what elements and principles should this guidance set out? Please explain your answer. For example, guidance could make clear that contributions in lieu should be an amount which is the equivalent value of providing affordable housing on site, based on a comparison of the Gross Development Value of the proposed scheme with the Gross Development Value of the scheme assuming affordable housing was provided onsite.**

Additional guidance is essential to assist local authorities in spending financial contributions and how these financial contributions should be calculated.

However, HBF contends that it is fundamentally important that a comparison of Gross Development Value does not form the basis of a calculation. A calculation on this basis would present a distorted picture of the financial viability of a development and would result in a disproportionately high financial contribution which will prevent applications from seeking to make off-site contributions and will not help to solve the issues that SMEs face with providing affordable housing on site and ultimately delivering housing all together.

As with any viability-focussed assessment, the approach to calculate the commuted sum payment has to be based upon a comparison of a scheme's RLV with a Benchmark Land Value (BLV). This is why the RLVs from the scheme should be exactly the same for (1) the scheme including on-site affordable housing and (2) the scheme without on-site affordable housing but with an equivalent commuted sum contribution in lieu. A simple comparison of the GDVs would not have regard to various key factors between the two schemes, such as differences in marketing costs, community infrastructure levy (CIL) payments, building safety levy variances, finance costs and (risk adjusted) developer return requirements. These issues are all crucial factors which must be reflected within the commuted sum calculations, and adopting any other approach will have significant financial ramifications which could impact overall deliverability.

It is worth noting that the above outlined approach (based on an RLV comparison) is widely accepted and adopted in the industry – and there are numerous examples of this methodology being adopted by LPAs but to have it set out in national policy would greatly assist in removing unnecessary negotiation over what methodology should be used.

**71) Do you support proposals to enable off site delivery where affordable housing delivery can be optimised to produce better outcomes in terms of quality or quantity? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

- a) Please provide your reasons, particularly if you disagree.**

72) Do you agree with the criteria set out regarding the locations of specialist housing for older people? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

As set out in response to Q58, there are considerable challenges in providing older persons housing to M4(3) standards in terms of impacting on the number of units that can be delivered and the viability of retirement living proposals.

Policy HO9 should be amended to make it clear that provision of M4(2) and M4(3) units should be based on evidence needs taking account of viability.

Moreover, there is no justification for the inclusion of the M4(3) standard. According to the Retirement Housing Group, generally as little as 2% of residents within retirement living communities are wheelchair bound. While residents may have age related mobility considerations, this does not result in a need for wheelchair adapted accommodation, instead the predominant need is for homes that are accessible and adaptable over time, meeting the M4(2) standard.

76) Do you agree with proposals to remove First Homes exception sites as a discrete form of exception site? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

80) Do you agree the proposals in policy HO13 will help to ensure development proposals are built out in a reasonable period? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

b) Please provide your reasons, particularly if you disagree.

Whilst it is accepted that HO13 (1&2) reflect the current NPPF, it fails to acknowledge that the reasons for not bringing sites forward once permission is granted is not always down to the developer. HO13 (2) should be amended to require the local authority to assess whether the site can come forward within that timeframe taking into the ability of the local authority to discharge the necessary conditions and external stakeholders to carry out their duties in matters such as s278 agreements or s104 adoption agreements. In addition, changes in policy without forewarning, for example in relation to nutrient neutrality and wastewater issues can adversely impact on the timescales for commencement. Without such assessment timescales for commencement could be set that are unachievable for reasons outside of the developer's control.

81) Do you agree the requirements to take a flexible approach to the consenting framework for large scale residential and mixed-use development is sufficient to ensure the opportunities of large scale development are supported? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

Policy HO13 (4) is not sufficiently clear and rather than referring to emerging proposals should be reworded as follows:

“Development proposals affecting sites for large scale residential and mixed-use development set out in emerging development plans should not be inconsistent with the proposed scale, location and phasing of *set out in those emerging plans proposals.*”

82) Are any more specific approaches or definitions needed to support the delivery of very large (super strategic) sites, including new towns? *Yes, no*

**a) Please provide your reasons.**

Given reference to various size of development sites throughout the Framework, it is important to provide definitions for strategic and super strategic sites. This would be beneficial for housebuilders and local authorities alike.

**83) Do you agree with the proposed changes to the Housing Delivery Test rule book?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

**88) Do you agree with the proposed changes to policy for planning for town centres?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

Given the role that the development of heritage assets has in town centres across the country, there is an opportunity for this policy to strengthen the requirement for local authorities to identify heritage assets with potential for redevelopment for a mix of uses to the benefit of the wider town centre.

**89) Do you agree with the approach to development in town centres in policy TC2?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) If not, please explain how you would achieve this aim differently?**

**96) Do you agree with the approach to planning for energy and water infrastructure in policy W1?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**b) Please provide your reasons, particularly if you disagree, what alternative approach would you suggest?**

In light of the issues for the housebuilding industry around water capacity, electricity capacity and sewerage connections it is vital to engage with utility providers at the Plan preparation stage and Policy W1 should be changed to “the development *must* be informed...”

**114) Do you agree policy L1 provides clear guidance on how Local Plans should be prepared to promote the efficient use of land?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**115) If not, what further guidance is needed?**

Policy L1(1(a(iii))) should acknowledge other constraints where meeting minimum densities are not possible, for example within the setting of a heritage asset or when developing a heritage asset itself.

There is additional opportunity to promote the re-use and redevelopment of heritage assets in Policy L1.

**116) Do you agree policy L2 provides clear guidance on how development proposals should be assessed to ensure efficient use of land?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

Policy L2 can be strengthened by reference to the opportunities presented by the re-use of heritage assets at Policy L2(1(b&d)).

117) Do you agree policy L2 identifies appropriate typologies of development to support intensification? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) If not, what typologies should be added or removed and why?

See answer to Q116. Reference to making the best use of heritage assets should be required in Plan preparation and development proposals to ensure they are taken into account in town centre and the development of previously developed land.

118) Do you agree the high-level design principles provided in policy L2(d) appropriate for national policy? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

119) Do you agree policy L2 (d)(i) achieves its intent to enable appropriate development that may differ from the existing street scene, particularly in cases such as corner plot redevelopment and upwards extensions. *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

120) Do you agree with the proposed safeguards in policy L2 that allow development in residential curtilages? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

In respect of L2(d)(iii) HBF has concerns about the blanket requirement for 50% of non-developed areas and the proposal to be limited to no more than twice the footprint of the existing building. This should be down to the decision maker to determine and assessed on a case-by-case basis.

A uniform approach risks making suitable sites undeliverable and impacting on the ability of these sites to contribute to housing delivery. This will particularly impact retirement living providers and SMEs who are more likely to deliver development on these sites.

121) Do you agree policy L3 provides clear guidance on achieving appropriate densities for residential and mixed-use schemes? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) If not, please explain how guidance could be clearer?

Policy L3 is clear, however, it should be amended to acknowledge the challenge presented by Policy DP3 in Policy L3(3) as is already provided in (2).

122) Do you agree with the minimum density requirements set out within policy L3? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

Imposing minimum density standards at a national level is far too blunt a tool. Whilst HBF acknowledges that making an efficient use of land is a fundamental objective of the planning system, imposing top-down densities that do not take into account local characteristics and site circumstances will inevitably lead to tensions in a system which is already failing to deliver a sufficient number of homes.

In addition, there needs to be flexibility to accommodate customer choice. If there are consistent density requirements it is difficult to provide a range of housing typologies and characters. More variety drives more sales and as such improved housing delivery.

The tension between Policy L3 and DP3 is already acknowledged in (2) and this needs to be reiterated through Policy L3 to avoid unnecessary refusals of planning permission, particularly at a local level. There will undoubtedly be instances where local character and heritage constraints mean it is not possible to meet minimum densities within this policy. As such, (4) should be reworded to acknowledge that there may be justification for not meeting these requirements as follows:

“Development proposals that do not make efficient use of land in accordance with this policy should be refused, *unless justified with reference to other policies within the Framework*”.

The definition of net developable area needs to be reviewed. The current definition in the glossary differs from that within the draft Design and Placemaking PPG and also differs from the RICS guidance. Whilst the industry would welcome the use of one definition which would provide clarity, using the RICS guidance could have unintended consequences for the level of density on schemes as it would result in far more dense development which would be difficult to achieve in all cases. This compounds the need for more flexibility within the policy.

**b) Could these minimum density requirements lead to adverse impacts on Gypsies and Travellers and other groups with protected characteristics? Please provide your reasons, including any evidence**

**123) Do you agree that using dwellings per hectare is an appropriate metric for setting minimum density requirements? Additionally, is our definition of ‘net developable area’ within the NPPF suitable for this policy? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

HBF does not consider it is appropriate to set minimum density standards without acknowledging that local circumstances and design requirements can be taken into account.

The definition of net developable area is acceptable.

**124) Do you agree with the proposed definition of a ‘well-connected’ station used to help set higher minimum density standards in targeted growth locations? In particular, are the parameters we’re using for the number of Travel to Work Areas and service frequency appropriate for defining a ‘well-connected’ station? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons and preferred alternatives.**

Please refer to Q37 and 38.

HBF accepts that clarity should be given by providing a definition of ‘well connected’ to avoid unnecessary delays and lengthy negotiation between applicants and local authorities once planning applications are submitted.

However, the current definition will not fulfil the potential of this policy, potentially resulting in a shortfall of 845,000 homes. The current metric of should be expanded to the Top 80 TTWA to ensure a better geographical split and to include a wider range of stations.

Also reference to the frequency of trains on an all-day service does not accurately reflect the variance in train operators, some of whom run enhanced peak services that would adequately meet the needs of the majority of travellers whilst the objectives of policies which seek to reduce the reliance of travelling by car.

**125) Are there other types of location (such as urban core, or other types of public transport node) where minimum density standards should be set nationally? Yes/No**

**a) If so, how should these locations be defined in a clear and unambiguous way and what should these density standards be?**

Densities standards should not be set nationally unless local circumstances can be taken into account.

**126) Should we define a specific range of residential densities for land around stations classified as 'well-connected'? Yes**

**127) If so, what should that range be, and which locations should it apply to?**

If Government decide to set densities at a national level (which HBF does not support), these should be set as a range of densities would be more appropriate than minimum densities, with the lower end of the range being lower than currently proposed to take into account of regional variations. Densities of at least 35dph-70dph would be appropriate.

**128) Do you agree policy L4 provides clear high-level guidance on good design for residential extensions? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**129) Please provide your reasons, particularly if you disagree.**

In order to reduce the number of development management policies in Local Plans, it would be appropriate to make clear that Local Plans should not provide more detailed residential design policies.

**130) Do you agree that policy GB1 provides appropriate criteria for establishing new Green Belts? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**131) Please provide your reasons, particularly if you disagree.**

**132) Do you agree policy GB2 gives sufficient detail on the expected roles spatial development strategies and local plans play in assessing Green belt land? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**a) Please provide your reasons, particularly if you disagree.**

**133) Do you agree with proposals to better enable development opportunities around suitable stations to be brought forward? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**a) Please provide your reasons, particularly if you disagree.**

**134) Do you agree the expectations set out in policy GB5 are appropriate and deliverable in Local Plans? Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.**

**135) Please provide your reasons, particularly if you disagree.**

Policy GB5 (1(d)) lacks clarity as to how the compensatory improvements shall be quantified and what is required to meet the requirements of this policy. Further guidance needs to be provided, or this policy needs to be changed to clarify that meeting other policies/requirements in respect of Chapter 19 or Biodiversity Net Gain would satisfy this policy.

136) Do you agree policies GB6 and GB7 set out appropriate tests for considering development on Green Belt land? **Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

a) Please provide your reasons, particularly if you disagree.

137) Do you agree policy GB7(1h) successfully targets appropriate development types and locations in the Green Belt, including that it applies only to housing and mixed-use development capable of meeting the density requirements in chapter 12? **Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

138) Please provide your reasons, including any evidence that this policy would lead to adverse impacts on Gypsies and Travellers.

139) Do you agree that site-specific viability assessment should be permitted on development proposals subject to the Golden Rules in these three circumstances? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree**.*

a) Please provide your reasons, particularly if you disagree.

To fulfil the potential of this policy, site specific viability assessments should be permitted on the same basis as non-Green Belt sites. According to research published by Zoopla<sup>2</sup>, housing developments are not viable in 48% of local authorities in England and is only marginally viable in 64%. Increasing affordable housing requirements on green belt sites will further stifle the development potential of these sites. This is particularly acute in the north of England and as such will result in a regional inequitable delivery of housing of grey belt sites.

140) With regards to previously developed land, are there further changes to policy or guidance that could be made to help ensure site-specific viability assessments are used only for genuinely previously developed land, and not predominantly greenfield sites?

For the reasons set out above, HBF is of the view that site specific viability assessments should be acceptable on all sites.

141) Do you agree with setting an affordable housing 'floor' for schemes subject to the Golden Rules accompanied by a viability assessment subject to the terms set out? *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

142) Please explain your answer, including your view on the appropriate approach to setting a 'floor', and the right level for this?

A nationally set Affordable Housing 'floor' could have a detrimental impact on the viability of developments that are already unviable and undertaking application stage viability assessments. This would have a negative impact on housing delivery.

However, if Government broadens the circumstances within which viability assessments can be undertaken, it would still be able to maintain its manifesto commitment of providing benefits to the wider community by setting an affordable housing floor. However, it would be necessary to ensure that the level of affordable housing required would not have a significantly more detrimental impact on development viability and so should be no more than 10%. In addition, the tenure of affordable housing in these circumstances should

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<sup>2</sup> The Viability Gap. Where is it viable for home builders to build new homes in England? Zoopla September 2025

not be prescribed so as not have a greater impact on viability and should be based on Local Plan requirements as a starting point.

**143) Do you agree with local planning authorities testing viability at the plan-making stage using a standardised Benchmark Land Values scenario of 10 times Existing Use Value for greenfield, Green Belt land? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree**.***

**a) Please explain your answer.**

The premium adopted in Plan stage viability is well established at between 10-20 times Existing Use Value (EUV). To set the expectation at the lower end of this range would act to stifle land transactions in parts of the Country where landowner expectations are higher and who would therefore not be willing to accept a lower premium.

These higher premiums are most common in the south of the Country where Zoopla research shows development is most viable and the Standard Method requires the highest levels of housing delivery. As such to limit the Benchmark Land Value (BLV) at a point that would dissuade landowners from selling their land will have a significant detrimental impact on housing delivery.

**144) Do you have any other comments on the use of nationally standardised Benchmark Land Values for local planning authorities to test viability at the plan-making stage?**

There is no need for Government to impose a set benchmark, the current guidance of 10-20 x EUV is working effectively. Moreover, to set a benchmark nationally does not allow for the regional variations in respect of land prices and also instances where the benchmark changes on site specific circumstances. Flexibility in this instance is necessary to ensure that the land market continues to work effectively and enables housing delivery at a rate required to meet the ambitious targets set by Government.

**145) Do you agree that proposed changes to the grey belt definition will improve the operability of the grey belt definition, without undermining the general protections given to other footnote 7 areas? ***Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

**146) Do you agree that policy DP1 provides sufficient clarity on how development plans should deliver high quality design and placemaking outcomes? *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

It is important that the development of design codes and masterplans do not delay the delivery of housing and it should be made clear that an applicant is not prevented from submitting an application nor a local authority from determining planning applications where these documents have not been published. The Design and Placemaking PPG can be relied upon in these circumstances.

Where Masterplans are required to be submitted before Outline Planning Applications (OPA) it can result in at least a two year delay to the submission of the OPA which, ultimately delays the delivery of housing.

In addition, and for the avoidance of doubt, Policy DP1 (1(c)) should clarify that policies DP3 and PM13 should be taken into account when setting standards.

**147) Do you agree with the approach to design tools set out in policy DP2? *Strongly agree, **partly agree**, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

Please see comments in relation to Q146

**148) Do you agree policy DP3 clearly set out principles for development proposals to respond to their context and create well-designed places?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

HBF considers it positive to set out criteria for local authorities to use when determining applications. However, it is vital that these criteria form part of the planning balance, given the subjective nature of design. Directing refusal through DP3(2) will lead to refusals at a local level that have not taken into account the benefits of a proposal even where the proposals fail to fully comply with all eight criteria.

In addition, HBF has concerns that the criteria as drafted will lead to conflicts with other policies in the Framework and the requirement to direct refusal will mean that the design policies override other aspects of the Framework.

Moreover, the criteria appear to have been written with large sites in mind and does not take into account conversions or small brownfield sites where achieving aspects of this policy will not be possible to deliver. For example, enhancing tree cover, providing transport infrastructure or public spaces.

In addition, the 'Liveability' criteria required a 'range of tenures' but if an application has progressed through a financial viability assessment and no affordable housing is to be delivered, the application could face refusal given the failure to meet this criterion.

Directing refusal where these criteria cannot be met will lead to a large number of refusals and impact housing delivery, which cannot be the intention.

The criteria will in many cases lead to a good quality design, which should be the objective, where it is deliverable. However, the wording in DP3(2) needs to allow for sufficient flexibility that reflects the complex and varied nature of development and the differing characteristics of sites that come forward for development.

Reference should be added to DP3(1(c)) to ensure that no additional requirements are imposed on development proposals to demonstrate adherence to standards to reflect Policy PM13.

**149) Do you agree with the proposed approach to using design review and other design processes in policy DP4?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) If not, what else would help secure better design and placemaking outcomes?**

Reference to Design Review panels needs to take into account the scale and location of development proposals. Whilst the process of Design Review can have a positive impact of the quality of proposals, it has implications for submission timescales which could be made worse with increased use of Design Review and capacity of those panels to deal with more proposals coming forward.

Whilst Policy DP4 suggests 'appropriate' use it would provide greater clarity if the following was added: "appropriate use, *taking into account the scale and nature of the development proposals*".

**150) Do you agree that policy TR1 will provide an effective basis for taking a vision-led approach and supporting sustainable transport through plan-making?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

The intention of the policy seems clear, however, HBF has concerns regarding the reference to using the 'Connectivity Tool'. This tool is not widely used yet and is difficult to interpret for applicants and does not take into account any future improvements as a result of a development proposals, or the quality of routes. As such the wording should be changed from 'should be used' to 'may be used'.

Policy TR3(2) should be deleted. It is not appropriate for local plans or spatial development strategies to set out what a significant amount of movement is because it is site specific rather than applying to a whole area. This should be left for the applicant to set out and the highways authority to agree taking into proposed mitigation.

**151) Do you agree that policy TR2 strikes an appropriate balance between supporting maximum parking standards where they can deliver planning benefits, and requiring a degree of flexibility and consideration of business requirements in setting those standards? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

HBF considers that clarity should be provided, for the avoidance of doubt, it needs to be made clear that maximum car parking standards are not the expectation in all areas and circumstances, and local authorities can set minimum parking standards where appropriate.

The number and location of parking spaces is closely linked to customer demand and saleability. The majority of customers want parking that is adequate for their family needs and also in close proximity to their home. Driving density can undermine these objectives and so a flexible approach to parking needs to be given.

**152) Do you agree with the changes proposed in policy TR3(1a), including the reference to proposals which could generate a significant amount of movement, and the proposed use of the Connectivity Tool? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

HBF suggests further clarification in this policy to make it clear that the objective is to limit travel by car, rather than travel all together:

“...by limiting the need to travel *by car* and offering a genuine choice of transport modes for residents and users...”

In relation to the use of the Connectivity Tool, as set out in the respect to Q150, should be changed to 'may' rather than 'should'. There are issues with the effectiveness of the Connectivity Tool and its useability by applicants which need to be addressed before it is made a formal tool in the preparation and assessment of planning applications. Moreover, it needs to be made possible that an applicant can input future scenarios to demonstrate that improvements or mitigation that are proposed as part of an application can make a development site more sustainable.

**153) Do you agree that proposed policy TR4 provides a sufficient basis for the effective integration of transport considerations in creating well-designed places? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please provide your reasons, particularly if you disagree.**

HBF considers reference to segregated cycle facilities to be unwarranted. There are situations where density is being optimised or where cycle traffic is not considered to be high that mean shared facilities would be appropriate and not cause issues over highway safety or impact on the use of those facilities.

‘Segregated’ should therefore be deleted.

**155) Do you agree that the amended wording proposed in policy TR6 provides a clearer basis for considering when transport assessments and travel plans will be required, and for considering impacts on the transport network?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

HBF considers that para 116 of the NPPF 2024 provides a clearer basis for assessing proposals that have a ‘severe’ impact. It is recommended that the wording in Policy TR7 (3) is replaced with that in para 116 of the NPPF 2024:

*Development should only be prevented or refused on highways grounds if there would be an unacceptable impact on highway safety, or the residual cumulative impacts on the road network, following mitigation, would be severe, taking into account all reasonable future scenarios.*

**157) Do you agree with the additional policy on maintaining and improving rights of way proposed in policy TR8?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

The current process for diverting public rights of way does not work effectively. HBF considers that the publication of a new NPPF presents an opportunity to simplify the process and make it clear that the expectation is that once planning permission has been granted that results in the need to divert a public right of way, its diversion should be approved.

The consideration of the impact on the diversion is carried out at the planning application stage and as such no further consideration is necessary. This would ensure faster delivery of consented homes.

This also requires legislative reform to remove the two stage inquiry process which maintains the potential for the delivery of homes to be stopped even once planning permission has been granted.

**158) Do you agree with the approach to planning for healthy communities in policy HC1, including the expectation that the development plan set local standards for different types of recreational land, drawing upon relevant national standards?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

The relevant national standards are sufficient to be relied upon, and local standards need only be included if they are lower than those national standards.

**159) Do you agree that Local Green Space should be ‘close’ to the community it serves?** ***Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

**160) Do you agree that the proposed policies at HC3 and HC4 will support the provision of community facilities and public service infrastructure serving new development?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

HBF is of the view that policy HC3(1) is not necessary given the requirement for Development Plans to identify and plan for infrastructure needs.

161) Do you have any views on whether further clarity is required to improve the application of this policy, including the term ‘fast food outlets’, and the types of uses to which it applies?

162) Do you agree with the proposed approach to retaining key community facilities and public service infrastructure in policy HC6? **Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

a) Please provide your reasons, particularly if you disagree.

163) Do you agree with the approach taken to recreational facilities in policy HC7, including the addition of ‘and/or’ with reference to quantity and quality of replacement provision? **Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

a) Please provide your reasons, particularly if you disagree.

164) Do you agree with the clarification that Local Green Space should not fall into areas regarded as grey belt or where Green Belt policy on previously developed land apply? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree**.*

a) Please provide your reasons, particularly if you disagree.

Given the evidence required in designating Local Green Space and the ability for it to be designated through Supplemental Plans and Neighbourhood Plans (which have far less stringent examination requirements), it presents an opportunity to be used by communities to stifle development opportunities. If it is to be considered in a similar way to Green Belt land, grey belt principles should also apply to provide opportunities for a thorough assessment of the contribution the land makes.

Alternatively, it should only be Local Plans that are able to designate Local Green Space, which are subject to far higher evidence requirements and tests of soundness.

172) Do you agree with the proposed clarifications to the sequential test set out in policy F5? **Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

a) Please provide your reasons, particularly if you disagree.

173) Do you agree with the proposed approach to the exception test set out in policy F6? **Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

a) Please provide your reasons, particularly if you disagree.

174) Do you agree with the proposed requirement in policy F8 for sustainable drainage systems to be designed in accordance with the National Standards? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree**.*

a) Please provide your reasons, particularly if you disagree.

The National Standards for Sustainable Drainage Systems present challenges for certain development and in some cases has led to a reduction in homes provided on a site and net developable area. There was no impact testing prior to publication and the standards are being applied in varying ways across the country. It is inappropriate for these standards to be imposed on reserved matters following the grant of outline permission and a footnote should be included to this effect.

Policy F8 needs to include a level of flexibility that can be applied where justified so that housing delivery is not negatively impacted as a result of using the guidance.

The wording should be amended as follows:

“Be designed in accordance with the National Standards for Sustainable Drainage Systems, *where possible*”.

**175) Do you agree with the proposed new policy to avoid the enclosure of watercourses, and encourage the de-culverting and re-naturalisation of river channels?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

**176) Do you agree with the proposed changes to policy for managing development in areas affected by coastal change?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

**179) Do you agree that the proposed approach to planning for the natural environment in policy N1, including the proposed approach to biodiversity net gain, strikes the right balance between consistency, viability, deliverability, and supporting nature recovery?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

HBF are a key member of the Future Homes Hub (FHH) BNG Implementation Board and Community of Practice, and prior to that were a member of the FHH BNG preparedness group. HBF strongly supports the principal of BNG and recognise the role that new development can and should play in helping to address the nature crisis. BNG offers the opportunity for new development to be a win-win, both addressing the housing crisis and supporting nature recovery.

However, HBF have continually been expressing concern at Local Plan examinations in relation to Local Authorities going beyond the statutory requirement and the potentially this has to reduce net developable area, increase costs and ultimately reduce the number of homes being delivered. HBF therefore welcomes and is very supportive of the proposal to limit the ability of local authorities to do this.

**180) In what circumstances would it be reasonable to seek more than 10% biodiversity net gain on sites being allocated in the development plan, especially where this could support meeting biodiversity net gain obligations on other neighbouring sites in a particular area?**

HBF have been very critical of Local Plans seeking to bring in local policies which require BNG at higher level than 10%. Such policies have not been supported by robust local evidence or subject to robust viability, and if allowed would result in a plethora of different local policies, which may serve to undermine the very objectives of a win for nature and a win for house building that BNG is seeking to achieve.

HBF have long advocated for more guidance on how BNG should be considered during the site allocation process. We remain of the view that at least a high-level understanding of the baseline BNG of a site should be an essential part of the site consideration process. This should enable Local Plans to better utilise Local Nature Recovery Strategies as part of their evidence base by identifying local opportunities for nature recovery spatially and using this as one of the many considerations to inform the spatial strategy and site selection process.

It therefore seems reasonable that if sites by virtue of their ecology and or location are able and/or required to deliver more than 10% BNG this can and should form part of the site allocation process. This would seem to offer significant benefits particularly where the site in question, whether big, medium, or small plays a key role in delivering nature in line with the Lawton principles of bigger, better, more, and joined up. However, in order for this to be equitable it is only reasonable that delivering more than the 10% BNG requirements which result in additional units should be able to sell these units or use them to offset requirements elsewhere.

**181) Do you agree policy N2 sets sufficiently clear expectations for how development proposals should consider and enhance the existing natural characteristics of sites proposed for development?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

**182) Do you agree the policy in Policy N4 provides a sufficiently clear basis for considering development proposals affecting protected landscapes and reflecting the statutory duties which apply to them?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, including how policy can be improved to ensure compliance.**

It should be made clear in Policy N4 that the presence of a Protected Landscape within a local authority area is not a reason to not meet housing need in full.

It should also be made clear that the development for nature conservation such as, habitat banks or nutrient offsetting, is not unacceptable in Protected Landscapes and could offer significant benefits and improvements to the Landscape.

**183) Do you agree policy N6 provides clarity on the treatment of internationally, nationally and locally recognised site within the planning system?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

**184) Are there any further issues for planning policy that we need to consider as we take forward the implementation of Environmental Delivery Plans?**

HBF welcomes the Government ongoing attention in relation to the need to unblock housing that is delayed because of objections from EA and Natural England due to issues around nutrients. However, increasingly homebuilders are experiencing water and waste water issues as a barrier to housing development, and there is a clear need to ensure infrastructure issues are better integrated into plan-making so they are considered at the appropriate stage.

The implementation of EDPs will play an important role in addressing known barriers to development, although it remains unclear if and how they interact with BNG. This is an area of policy HBF would welcome further engagement on.

**185) Do you agree the government should implement the additional regard duties under Section 102 of the Levelling-Up and Regeneration Act?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons.**

HBF considers that the new sub-section broadly reflects existing duties under the Listed Building Act and so it is a sensible addition.

186) Do you have any evidence as to the impact of implementing the additional regard duties for development?

No.

187) Do you agree with the approach to plan-making for the historic environment, including the specific requirements for World Heritage Sites and Conservation Areas, set out in policies H1 – H3? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

HBF considers that the Historic Environment chapter presents a significant opportunity to require local authorities to explore the potential of reusing heritage assets in helping to meet the need for homes.

In this regard, Policy HE1 should be require Local Authorities to identify priority vacant or underused sites that are suitable for development, including routes to enable them to come forward.

Policy HE2 appears to go beyond the statutory duty by requiring development plans to “conserve and enhance” conservation areas. This should be changed to reflect the requirements of the Listed Building Act (1990) to “conserve *or* enhance”.

Whilst not specifically asked in this consultation, the same change should be made to Policy HE4.

188) Do you agree with the approach to assessing the effects of development on heritage assets set out in policy H5? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

189) Do you agree with the approach to considering impacts on designated heritage assets in policy HE6, including the change from "great weight" to "substantial weight", and in particular the interactions between this and the statutory duties? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

In light of the additional costs faced by developers who engage in proposals that affect heritage assets, Policy HE6 (3) should be reworded to reflect that development needs to be viable. It also needs to acknowledge that there are circumstances where enabling development or intensification of a site is required to ensure that the heritage asset is protected long term.

Policy HE6 (3) should be re-worded as follows:

Where a development proposal would harm the significance of a designated heritage asset the effect on the asset and its significance should be weighed against any public benefits resulting from the proposal. Important public benefits can include securing the *viable* long-term re-use of a vacant or underused listed building or heritage asset, *including through enabling development or intensification of the site*, and enabling energy efficiency and low carbon heating measures to be employed.

190) Do you agree with the new policies in relation to world heritage, conservation areas and archaeological assets in policies HE8 – HE10? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please provide your reasons, particularly if you disagree.

191) Do you have any other comments on the revisions to the heritage chapter?

Policy HE7 appears to give the same weight to non-designated heritage assets by virtue of reference to proposals “only being supported where...” and the absence of reference to the ‘planning judgement’ in para 216 of the NPPF 2024.

HBF considers the wording of para 216 of the NPPF (2024) is more effective and should be retained.

**192) Do you agree with the transitional arrangements approach to decision-making?** *Strongly agree, partly agree, neither agree nor disagree, **partly disagree**, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

It is imperative that lengthy transitional arrangements are avoided. It results in additional layers of complexity for applicants and local authorities and will delay the impact that ambitious policy making can have. As such Annex A (1&2) are welcome.

Notwithstanding the foregoing, Annex A (3) gives an extensive level of protection to local authorities that have adopted Local Plans under the previous Standard Method and as such will bake in lower housing delivery for a period of five years, ultimately undermining the ability of the housebuilding industry to meet the Government’s ambitious target of delivery 1.5 million homes.

To reduce the gap between adopted Plan figures and the new Standard Method, reference should be made to this only applying where the housing requirement in the Local Plan is at least 80% of the local housing need figure (calculated using the standard method).

In relation to the Plan making transitional arrangements, it seems non-sensical for local authorities to continue with Local Plans which include development management policies when those policies are likely to have ‘very little weight’ once the Framework is published. This would be a waste of time and resource for both local authorities, PINS and interested parties.

HBF therefore recommends that Local Authorities currently preparing Plan are required to submit a statement of compliance with this NPPF and to remove policies in advance of consultation or examination that do not fully comply with the Framework.

**193) Do you have any further thoughts on the policies outlined in this consultation?**

#### Veteran Trees

The proposed change to the definition of veteran tree is problematic and will increase the number of trees falling within this category. The definition proposes a subtle but significant change in the definition of Veteran Trees between the NPPF 2024 and the current draft.

The 2024 NPPF defines a Veteran Tree ‘A tree which, because of its age, size **and** condition, is of exceptional biodiversity, cultural or heritage value.’

The 2025 draft says ‘A tree which, because of its age, size **or** condition, is of exceptional biodiversity, cultural or heritage value’

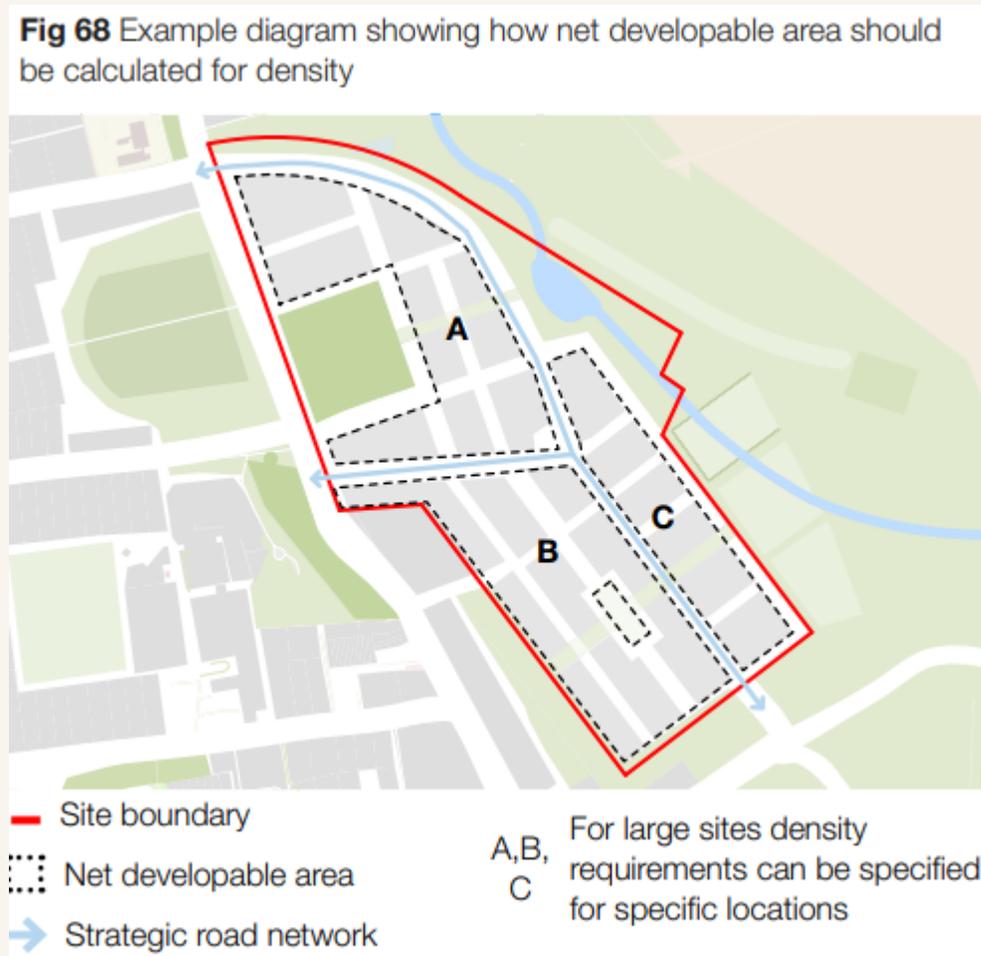
The 2025 draft therefore means a tree only has to meet one of the criteria to be defined Veteran rather than all 3 criteria as before and will undoubtedly mean more trees are classed as Veteran which could have significant implications for the delivery of homes.

#### Net Developable Area

The draft NPPF proposes to define Net Developable Area as follows:

For the purposes of policy L3, net developable area is the part of a site that can be developed for housing and directly associated uses, including access roads within the site, private garden space, car parking areas, incidental open space and children’s play areas, where these are provided.

However, the draft Design and Placemaking PPG proposes the below:



This diagram excludes access roads within the site and open space, clearly differing from the draft NPPF definition. It is crucial that the definitions used across Government documents is the same.

HBF does not support either of the definitions proposed as they vary from that used in the RICS Land Measurement for Planning and Development (2023) which is already used for land acquisition and valuation by the industry and as such to introduce new, conflicting definitions will lead to complexity and a lack of clarity which is unnecessary. The RICS definition should be used, however, given that it excludes more aspects of development than either the NPPF or PPG definition, it would lead to disproportionately higher densities being required. As such, the densities within policy L3 need to be reduced to reflect the use of the RICS definition.

194) Do you agree with the list of Written Ministerial Statements set out in Annex A to the draft Framework whose planning content would be superseded by the policies proposed in this consultation? **Strongly agree**, partly agree, neither agree nor disagree, partly disagree, strongly disagree.

a) Please provide your reasons, particularly if you disagree.

200) Would you support the use of growth testing for strategic, multi-phase schemes? *Strongly agree*, partly agree, neither agree nor disagree, partly disagree, **strongly disagree**.

Growth testing is appropriate in circumstances where sensitivity testing is required. However, to do so in all viability assessments is to change Red Book valuation principles and to insert 'crystal ball gazing' instead. Housebuilders make business decisions and acquisitions at a point in time and do not take into growth forecasts so to do this at planning stage would result in an imbalance in the system.

Moreover, no one can accurately foresee what is going to happen to costs and revenues over a period, take for example the excessive cost increases of between 15 and 20% since the COVID pandemic and the sluggish house price inflation over the same period. In addition, there have been significant changes to policy requirements and the tax regime which has negatively impacted the viability of development over this time.

Construction costs and revenues are impacted not only by national issues by global ones and to try and predict these with any level of certainty is impossible.

This will not only impact on housing delivery on already owned land but will also impact on the land market by creating negative land values which are based on current assumptions when growth is taken into account.

**201) Would you support the optional use of growth testing for regeneration schemes? Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree.****

**a) Please explain your answer.**

HBF has the same concerns in relation to regeneration schemes, although these sites have more risk attached and would therefore be even more susceptible to damaging outcomes than greenfield sites.

**202) Do you agree greater specificity, including single figures, which local planning authorities could choose to diverge from where there is evidence for doing so, would improve speed and certainty? Strongly agree, partly agree, neither agree nor disagree, partly disagree, **strongly disagree.****

**a) Please explain your answer. If you agree, the government welcomes views on the appropriate figure – for example, whether 17.5% would be an appropriate reflection of the industry standard for most market-led development.**

The 15-20% profit range is well established within viability assessments and reflects the differing development types and site characteristics. To impose a specific figure would render some sites unviable and reduce housing delivery.

In addition, there are certain types of development that warrant the 20% profit scenario given the risks and additional costs they incur.

For example, heritage related development incurs significantly higher costs, some of which cannot be known until permission is granted in the case of those that require listed building consent and as such a higher profit planning stage is required to incentivise those businesses to bring sites forward and to afford a protection from the increased costs experienced throughout the development process.

Additionally, it is well established that retirement living development is awarded a profit of 20% at Plan making and application stage in order to reflect the additional costs in relation to marketing, development programme and sales given the nature of those businesses.

However, it is not just specific typologies but also brownfield sites or large strategic sites that require significant investment in infrastructure upfront.

It would be entirely wrong to set a single figure, it would distort the market and would adversely impact on the number of homes being delivered.

**203) Are there any site types, tenures, or development models to which alternative, lower figures to 15-20% of Gross Development Value might reasonably apply?**

**a) Please explain your answer. The government is particularly interested in views on whether clarifying an appropriate profit of 6% on Gross Development Value for affordable housing tenures would make viability assessments more transparent and speed up decision-making.**

6% on GDV is typically accepted for the affordable housing element of development proposals. However, to set this figure nationally would remove flexibility and could impact on housing delivery where otherwise housing would come forward if the profit was higher.

**204) Are there further ways the government can bring greater specificity and certainty over profit expectations across landowners, site promoters and developers such that the system provides for the level of profit necessary for development to proceed, reducing the need for subjective expectations?**

**a) Please explain your answer.**

As set out in the draft Framework, it is important that the Local Plan viability assessment forms the basis for application viability assessments and should be the first port of call for applicants. However, it is therefore imperative that Local Plan viability assessments are thorough, and evidence based and no additional contributions are sought at application stage.

**205) Existing Viability Planning Practice Guidance refers to developer return in terms a percentage of gross development value. In what ways might the continued use of gross development value be usefully standardised?**

The current range of 15-20% should be used in most cases.

**206) Do you agree there circumstances in which metrics other than profit on gross development value would support more or faster housing delivery, or help to maximise compliance with plan policy? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.***

**a) Please explain your answer.**

Given Government's focus on New Towns and delivering a mix of tenure, there is an increase in the Master developer role. This is where a developer takes all the risk of gaining planning permission, paying s106 contributions and delivering infrastructure and sells 'serviced parcels' to others. In these circumstances the Master Developer expects an Internal Rate of Return (IRR) for taking on that risk which is typically between 12.5%-15%.

Further guidance on this would be useful given its growing prevalence in the industry.

Moreover, a large number of developers use ROCE (Return on Capital Employed) as a consideration of how quickly invested money is returned through sales and it would be appropriate to provide more guidance on this for use by Local Authorities.

**207) Are there types of development on which metrics other than profit on gross development value should be routinely accepted as a measure of return e.g. strategic sites large multi-phased schemes, or build to rent schemes?**

**a) Please explain your answer.**

Please refer to Q206.

208) Do you agree that guidance should be updated to reflect the fact a premium may not be required in all circumstances? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) In what circumstances might a premium, or the usual premium, not be required?

It is difficult to foresee circumstances in which a premium would not be required. Even on public land, a premium is included to demonstrate best value. Ultimately the premium is there to incentivise a landowner to sell and without that even on public land, a decision could be made to wait until best value can be achieved.

Notwithstanding the foregoing, even where a landowner does not expect a premium, for the purposes of valuation and viability assessment one should still be included given the hypothetical nature of these.

b) What impact (if any) would you foresee if this change were made?

HBF considers that any change to the established approach will result in development not coming forward and fewer homes being delivered.

209) Do you agree that extant consents should not be assumed to be sufficient proof of alternative use value, unless other provisions relating to set out in plans are met? *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please explain your answer.

The use extant consents is an established mechanism of demonstrating an Alternative Use Value and provided the consent is deliverable there is no reason to change this approach. Current guidance suggests that this is one of the only ways that AUV can be demonstrated so removing this would effectively remove AUV as a factor in viability assessments.

210) If extant consents were not to be assumed as sufficient proof of alternative use value, should this be at the discretion of the decision-maker, or should another metric (e.g. period of time since consent granted) be used? *Decision maker discretion / Another metric / Neither*

a) If another metric, please set out your preferred approach and rationale.

Provided the extant consent is deliverable and additional guidance can be provided on this, then they should be a consideration in demonstrating AUV.

211) What further steps should the government take to ensure non-policy compliant schemes are not used to inform the determination of benchmark land values in the viability assessments that underpin plan-making?

Ensuring that non-policy compliant schemes are not used to inform BLV is a matter of the person undertaking the viability assessment carry out thorough research when reviewing comparable schemes. It should be made clear in guidance that the level of affordable housing needs to be considered when reviewing comparable schemes.

212) Do you agree that the residual land value of the development proposal should be cross-checked with the residual land values of comparable schemes; to help set the viability assessment in context. *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

a) Please explain your answer.

Residual land value is a calculation of all development costs deducted from the anticipated revenue of a development. As such to understand whether the RLV of a development is comparable, all details of the development costs and revenues would need to be known. This would be difficult to find out given two development sites never have the same characteristics. For example, two greenfield developments of circa 100 units could be situated next to each other but one has significant contamination issues. Whilst on the surface one might expect the RLV to be the same, the significant contamination would render the RLV on one significantly lower than the other. This information is not in the public domain and the Competition and Markets Authority (CMA) directs against housebuilders sharing details of land transactions, including costs and revenues so it would be exceedingly difficult for these costs to be known.

In light of the above, it is completely impractical to have RLV comparisons part of the viability system and would result in lengthy delays whilst assessors attempted to find out information.

**213) Do you agree that a 2.5 hectare threshold is appropriate?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

A 2.5 hectare threshold is appropriate and is of a meaningful size that would have a positive impact on the delivery of new homes.

However, the site size and threshold itself will not make any impact without the other reforms proposed around the 'medium site threshold'. It is vital that the level of information required with such applications is proportionate, it is crucial that these applications are delegated and fundamental that the proposals around policy HO8 and financial contributions are carried through to release these sites from the burden of contracting with RPs when sites of this size are some of the most unattractive to RPs. Without such changes, having a new site threshold is effectively meaningless.

**214) Do you agree that a unit threshold of between 10 and 49 units is appropriate?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

Imposing an upper unit limit, whilst the Government agenda is focused on optimising density and making effective use of land is flawed. In some cases, it will prevent applicants from seeking to realise the development potential of a site and will lead to lower density development and reduced housing delivery. The site size of 2.5ha should be the only factor in setting the threshold.

**215) Do you foresee risks or operability issues anticipated with the proposed definition of medium development?** *Yes/No.*

**216) If so, please explain your answer and provide views on potential mitigations.**

**217) Do you have any views on whether the current small development exemption should be extended to cover a wider range of sites – indicatively to sites of fewer than 50 dwellings, or fewer than 120 bedspaces in purpose-built student accommodation?**

**a) Please provide your reasons.**

The small sites exemption should absolutely be extended to cover the medium site category (noting HBF comments in respect of Q214). Small developments are disproportionately impacted by additional taxes and levies and if Government truly want to support the SME sector it is vital that the regulatory burden is eased. This will enable them to be more competitive in the land market and deliver homes more quickly on

sites that are not faced with significant infrastructure requirements. This will ultimately help to deliver the Government's ambitious housing target.

**219) If the exemption were to be extended, do you have any views on whether the exemption should be based solely on the existing metrics (dwellings/bedspaces) or whether there should also be an area threshold.**

As set out in the response to Q214, the upper unit limit has the potential to result in an under delivery of homes. However, to have a site size limit for some elements and a unit limit for the exemption will over complicate the medium site threshold, leading to more complexity in the system when the aim is to make it simpler. As such, HBF recommends that the metric used is the site size.

**222) Do you agree with the proposal to extend the Permission in Principle application route to medium development?** *Strongly agree, partly agree, neither agree nor disagree, partly disagree, strongly disagree.*

**a) Please provide your reasons, particularly if you disagree.**

Permission in principle is an underutilised process but one which has the potential to speed up the decision-making process and reduce complexity in the system. The application of its use should be widened to as many sites as possible. The inclusion of a short planning statement would enable applicants to set out the case for development and so should be encouraged but should not be mandatory.