

HOUSE OF COMMONS LONDON SW1A 0AA

Matthew Pennycook MP Minister of State for Housing and Planning 2 Marsham Street London SW1P 4DF

24th September, 2024

Dear Minister,

National Planning Policy Framework Consultation

I am writing to you to set out my response to the proposed reforms to the 'National Planning Policy Framework and other changes to the planning system'.

I support the principle of sustainable development alongside ensuring home ownership is within reach for more families. I also recognise the need for diversity in housing tenures and the role that rental and part ownership can play.

East Hampshire, like the rest of the country, needs to build more homes. It is a particularly acute issue in my constituency, as is the case in most of the South East because of the high house-price-to-income ratios. However, it is important both to ensure places where there is high demand (causing house prices to be high) have adequate levels of housing supply but also to stimulate further economic development in other parts of the country therefore rebalancing demand for housing.

Any policy needs to ensure there is an adequate and appropriate mix of housing supply for people who grow up in the area so that East Hampshire has vibrant communities that benefit from the necessary age mix. Central to delivering vibrant communities are town and village centres, shops, pubs, schools and other key facilities and infrastructure.

Pace of development is important, to respect, maintain or enhance the character of an area. I echo the caution expressed in East Hampshire District Council's (EHDC) consultation response that these proposals would destroy the rural character of East Hampshire and put huge pressure on local services and infrastructure.

I would like to set out the following key points in relation to the consultation questions:

In response to question 19

Do you have any additional comments on the proposed method for assessing housing needs?

The new 'Standard Method' produces an average annual net addition which is simply much too high for East Hampshire. The rural character of this area would be undermined. In addition, I do not believe that services to support the net addition of housing would be able to keep pace.

Calculations based on information provided as part of the consultation suggest that the required uplift to East Hampshire housing targets is 86%. At such a sizeable uplift, schools, doctor's surgeries etc would struggle to keep pace.

In response to questions 1 and 2

Do you agree that we should reverse the December 2023 changes made to paragraph 61?

Do you agree that we should remove reference to the use of alternative approaches to assessing housing need in paragraph 61 and the glossary of the NPPF?

There is a unique issue we face in my constituency of East Hampshire regarding the treatment of national parks in calculating housing requirement. In East Hampshire, 57% of the district falls within the South Downs National Park (SDNP), which means EHDC is only the Local Planning Authority for the 43% of the district which falls outside the SDNP. The majority of the housing need generated is, therefore, expected to be delivered in 43% of the district.

I believe that it is important that any changes to the NPPF recognise that the application of a revised 'standard method' calculation to determine housing need would place even further pressure on areas outside the National Park, with the delivery of housing targets disproportionately allocated across East Hampshire. There has already been an over-indexing of development around Four Marks and Medstead and now Alton. Constituents have also expressed fears that further house building could include 'ribbon development' along the A31, losing the distinctiveness of our villages and market towns.

We equally need to ensure that appropriate development occurs inside national parks to maintain access to housing for young people and ensure vibrant communities benefitting from the necessary age mix¹.

I believe that there should be separate targets, inside and outside National Parks. I therefore do not agree with the removal of reference to the use of 'alternative approaches to assessing housing need' as this does not take into account the hard constraints faced by the EHDC and the resulting unfair allocation across areas outside the National Park.

Rather, I believe that the housing number methodology should, in areas where a District is bisected by a National Park boundary, produce separate targets for the areas inside and outside the park.

In response to questions 16 and 17

Do you agree that using the workplace-based median house price to median earnings ratio, averaged over the most recent 3 year period for which data is available to adjust the standard method's baseline, is appropriate?

Do you agree that affordability is given an appropriate weighting within the proposed standard method?

I recognise the role for affordability as a criterion of the Standard Method calculation. However, I strongly believe that the proposed weighting is too high.

I am aware that in their consultation response, EHDC have set out how the affordability ratio differs significantly between EHDC and the SDNP. They argue that "this has the adverse impact of inflating numbers for the wider district, which due to the restrictive National Park designation, needs to be found in a smaller geographical area"². The NPPF accepts the designation of a National Park and the restriction of development if it fails to conserve landscape and scenic beauty. With reference to the answer to questions 1 and 2, just outside the national park, in places such as Alton and Four Marks,

¹ Analysis of Data from ONS (2019): In East Hampshire the housing affordability ratio is 12.5 (between 9.77 and 17.37) outside the South Downs National Park, and 17.76 (between 13.46 and 26.12) inside: House price to workplace-based earnings ratio, LAs split by National Parks, England, 2019 - Office for National Statistics (ons.gov.uk)

² EHDC submission to Government Consultation: Proposed reforms to the National planning Policy Framework (NPFF) and other changes to the planning system (July-September 2024) Leader call for clarity on Government

there would be a great deal of pressure and it would be difficult to meet the required service provision.

I would encourage the Government to reflect on the weighting given to In my constituency and across the South East, despite an increase in housebuilding, house prices have not been impacted enough to improve affordability across EHDC. Furthermore, I understand that the average price of new builds in East Hampshire is £567,297, compared to the average price of all housing stock of £435,963.3

The case has been made to me that the Adjustment Factor derived from the Affordability Ratio could further encourage housebuilders to game the system by ensuring that the median house price of any new build properties is more expensive than the median house price of current housing stock, thereby increasing the (un)Affordability Ratio. This is exacerbated by the proposed new adjustment factor which increases the uplift factor from 0.25 to 0.6.

In response to question 82

Do you agree with the removal of this text from the footnote?

The availability of agricultural land for food production was made an explicit consideration in determining if sites are appropriate for development in the last iteration of the NPPF. The proposed loss of this consideration could potentially increase opportunities for renewable energy projects but there is an important balance to be struck, given the centrality of high-quality agricultural land for our national food security.

In response to question 62

Do you agree with the changes proposed to paragraphs 86 b) and 87 of the existing NPPF?

In an area such as East Hampshire, where available sites are scarce and therefore at a premium, planning approvals should be granted according to an explicit economic benefit for the local area. In other words, a piece of land should not be used for a less beneficial purpose if it could likely generate an

³ EHDC submission to Government Consultation: Proposed reforms to the National planning Policy Framework (NPFF) and other changes to the planning system (July-September 2024) Leader call for clarity on Government planning proposals | East Hampshire District Council (easthants.gov.uk)

alternative use with, for example, greater or high-quality employment opportunities.

Yours sincerely,

Damian Hinds

Member of Parliament for East Hampshire