



Consultation Response

National Planning Policy Framework Consultation 2024

Response by the Royal Institution of Chartered Surveyors (RICS).



Introduction

The Royal Institution of Chartered Surveyors (RICS) is pleased to respond to this call for evidence by the Ministry of Housing, Communities and Local Government.

Established in 1868, RICS is the largest organisation of its kind for professionals in property, construction, land, and related environmental issues, setting and upholding professional standards for 125,000 qualified professionals and over 10,000 firms. RICS regulates both its individual qualified professionals and those firms that have registered for regulation by RICS.

Over 80,000 of our qualified professionals work in the UK, where our goal is to deliver a healthy and vibrant property and land sector as a key pillar of a thriving economy while addressing the need for the creation of green, safe communities.

We are not a trade body; we do not represent any sectional interest, and under the terms of our Royal Charter the advice and leadership we offer is always in the public interest.

Executive summary

RICS fully supports the aims of the reforms to the NPPF to deliver 1.5 million new homes in the next five years by boosting land supply and thereby housing delivery. We would expect the reforms to be able to unlock land supply particularly where plan making has stalled as addressed in question 3.

Our comments below address whether the policy measures proposed can achieve the intended aims within a five-year period and what amendments might help to secure these aims. We also refer to the risk of unintended consequences potentially arising from the application of the revised Standard Method approach, Grey Belt/Green Belt definition and the Golden Rules as designed. We acknowledge policy makers' desire to bring uniformity and equity through these measures.

We support government's desire to remove the need for contentious and time-consuming measures from the local planning system through standardisation, narrowing ambiguity, and reducing unnecessary examination debate¹ where possible. But the circumstances being addressed are not uniform across the country. The application of uniform metrics to very variable conditions may have unintended consequences which would not help the main aim of delivering more housing led sustainable development quickly. We have suggested ways to improve these proposed measures.

1. We recognise the role the private sector is intended to play to deliver the majority of this housing and that there is also a reliance on landowners to bring forward their land for development. Nevertheless, the delivery of the homes needed across England will require the contribution of the local authority and housing association sectors.²
2. We also recognise that besides the NPPF reforms there are additional capacity building measures and proposed legislation in preparation. We will wish to support government in applying these measures effectively.
3. In the light of the significant reliance on the private sector there would need to be a step change in how development proposals are processed through the planning system. We also expect that the measures adopted will incentivise land and

¹ e.g. debate over the calculation of need, or definition of Grey Belt/Green Belt

² [CBP-7671.pdf \(parliament.uk\)](#)

development proposals coming forward enabling new housing to be completed at the scale and within the five-year time frame to meet the aims of the policy.

4. We welcome the proposed introduction of the 'Standard Method' but caution that without further means for moderation it currently produces some significant outliers. Some areas will have excessive targets and others will have much lower targets than they need. This will need resolving without introducing unnecessary complexity.
5. We recognise policy makers desire to have simple standard metrics applied universally to Grey Belt/Green Belt land. This ignores the great diversity of house prices, land values and viability conditions within Grey Belt/Green Belt land. It is also essential to consider and resolve the factors behind the recently reported collapse in section 106 housing demand from registered social providers³
6. We advocate that the new policy towards Grey Belt/Green Belt land is applied as an extension of existing procedures for assessing viability, tested in the first instance at plan making stage. This process was established with the NPPF 2019 update and complemented by the RICS professional standard supporting the application of national planning policy. Nevertheless, other avenues could be explored to secure affordable housing (AH), such as locally tested fixed threshold without viability testing.
7. Reference is made to the use of CPO powers if land does not come forward. This could potentially delay the delivery of much needed homes and so it is important that other options are considered. An approach to determining the benchmark land value based on the local conditions in which Grey Belt/Green Belt is located through the plan making stage could help to ensure the correct balance is struck between returns to landowners and the delivery of public benefits at plan making stage so that land comes forward without having to resort to CPO measures.
8. Ideally land should be acquired by negotiation. Mediation has a role to play if obstacles arise and we would advocate the use of this in the first instance. Failing success through these measures we would support the use of compulsory acquisition powers where the market and policy changes are not delivering the housing required in specific areas. Their availability as a backstop may accelerate

³ Building (2024) [What does the collapse in section 106 demand mean for housing delivery? | Features | Building](#)

negotiations avoiding the need to go through the process of actually using them. Local authorities already have CPO powers, but the issue is that their use could be constrained by lack of resources and/or the lack the will to use them. One way of addressing this could be additional funding, expertise and resource provided by, for example, a Housing delivery task force.

9. In response to the questions on Grey/Green Belt definition and its release (Q23, 25 & 26), the question seeking to expedite local plan making (Q46), and the question seeking to improve wider strategic area discussions using the Duty to Cooperate (Q12), we provide feedback on minor draft or associated guidance changes that we consider would positively support plan making and housing delivery progress. If adopted these would support process improvement or deliver increased clarity, thereby minimising debate and challenge.

10. Based on feedback from the sector we recognise a willingness on the part of some applicants to accept an increase in planning application fees. This however is on the basis that the service provided improves significantly and that planning decisions are sped up to meet the aims of the NPPF reforms, delivering a housing 'boost'. Nevertheless, increased fees may inordinately impact SME developers, so a blanket increase should be discouraged. In addition, to ensure planning departments are adequately resourced and manned, alternative ways of working should be considered, including pay reviews, secondment arrangements with the private sector and innovative ways of working trialled, as seen in South Cambridgeshire District Council.⁴

Note: In support of our responses we provide several case studies, in the main text and in accompanying Appendix 1 that model potential delivery outcomes to illustrate the points that we make.

⁴ South Cambridgeshire District Council (July 2024) [Independent report analyses Council's four-day week trial \(scambs.gov.uk\)](https://www.scambs.gov.uk)

Chapter 3 – Planning for homes we need

Advisory starting point and alternative approaches

Question 1: Do you agree that we should reverse the December 2023 changes made to paragraph 61?

Yes, it is essential that housing ‘need’ is clearly established, and to deliver much needed affordable housing, supply must then be increased by allocating more land through the replacement plan process. The December 2023 changes led to the pausing of replacement plans, re-consideration of local need, and in some cases removal of land previously identified and even allocated in draft Reg 19⁵ plans. It consequently froze progress of several advanced stage (Reg 19) replacement plans, and investment in land promotion.

The delivery of housing led development sustainably should not be disconnected from economic growth plans for the country. To support investor confidence such housing led development plans must be implemented through strategic approach with short, medium and long term, goals. This will require local plans to be prepared more quickly and more speculative applications to be approved where there is no up to date local plan, a persistent record of under delivery against an extant plan delivery target, and <5-year housing land supply.

Question 2: 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?

Yes, there needs to be a single simple formula and process for establishing ‘need’ and that should be the starting point in all plans. Housing need should be based on a realistic assessment of the population needs of each County relative to employment opportunities and growth. A simple and clear solution would reduce the time debating ‘need’ during examinations. Then examination time could be focused on ensuring the optimal land allocations to meet that need, with local stakeholder engagement through the established system.

The fact that sufficient land is allocated at plan making stage provides necessary flexibility and supports 5-year housing delivery. It does not mean all that housing land will necessarily be built out in the near-term. Land can be allocated and also

⁵ North Somerset Council Reg 19 draft plan version 1, then version 2 post Dec 2023

'safeguarded' (para 148 (c) and 148 (d) existing NPPF). Safeguarded land providing reserve options for the latter plan life stages.

Urban Uplift

Question 3: Do you agree that we should reverse the December 2023 changes made on the urban uplift by deleting paragraph 62?

Yes, while we recognise the brownfield first approach and benefit of urban densification when land is redeveloped, insufficient opportunities exist in the near term to deliver on the housing 'boost' sought. Urban land is held under complex multi-party ownerships, numerous studies have evidenced the limited brownfield supply in relevant areas of greatest need, and most local plan viability studies⁶ evidence that often, such land is unable to support 25%-30% affordable housing. Levels above that may leave them struggling. The NPPF should support the delivery of sufficient affordable housing and thereby address the housing crisis, thereby correcting long-term historic under delivery.

There are examples, such as North Somerset Council, of advanced stage replacement plans that had made the decision that 'exceptional circumstances' existed for Green Belt release and identified draft allocations of such land. However, the announcement of the Dec 2023 NPPF update paused several of those plans, and in some cases second Reg19 plans were then prepared and made ready for consultation with those sites removed and less housing delivery proposed.

Some of these authorities have already undertaken Green Belt assessment of all available land supply, and as drafted the NPPF update should enable these opportunities to be quickly unlocked.

Such opportunities exist across England and would enable the 'boost' of housing supply in the near term (1-5 years). Many such land parcels are likely to have sufficient work completed that a robust application could be made within a short period (3-6 months) and are of a scale (20-300 No) where Green Belt impact would be limited and housing supply materially improved, including affordable housing at up to target 50%.

We believe that a balance must be found between increasing housing opportunities and maintaining rural land for food production, but this needs serious consideration in relation to several other strategically important land uses referred to further below, for example large ground based solar, new towns, data centres and garden developments.

⁶ [DSP plan stage viability study](#) of North Somerset Autumn 2023

There will also need to be a proportionate approach in Grey Belt/Green Belt release at the edge of primary settlements, locations that can boost delivery and provide improved access to green space in sustainable locations.

Character and density

Question 4: Do you agree that we should reverse the December 2023 changes made on character and density and delete paragraph 130?

Yes, development within urban areas, Grey Belt/PDL Green Belt, or Green Belt where the effects are limited across the plan area must identify the optimal solutions to deliver 'sustainable development'. Such decisions can best be made on a site-specific basis by Local Authorities (LAs). Local plan makers would then need to consider these issues more widely given the proposed policy changes. This will require local plans to be prepared more quickly and more speculative applications to be approved where there is no local plan or 5-year housing land supply.

The matters in Paragraph 130 are adequately covered in paragraph 126. The requirement to produce a design code is expensive to implement and the limited available planning resources would be better spent on plan-making, defining a spatial strategy, reviewing, selecting and allocating land for its optimal sustainable use, and then determining planning applications in a timely way, along with the helpful urban design criteria addressed in 'Building for a Healthy Life'.⁷

Increasing density on brownfield but particularly urban fringe land where appropriate should be encouraged, to help increase the supply of homes. This is especially so, in meeting the urgent need to increase the number of both first time and more affordable homes. This will mean smaller homes, but more homes: 2/3 bedroom homes in terrace, maisonette or low rise flats rather than the more common 3/4/5 bedroom detached and semi-detached estates. Such housing types can also be more energy efficient per sqm than other typologies in terms of capital and running costs. The final housing type/mix should be locally determined to meet the housing need identified during the plan making stage.

In April 2023, we published a Professional Standard: [Land measurement for planning and development purposes, global Professional Standard, 1st edition \(rics.org\)](https://www.rics.org/standards/land-measurement-for-planning-and-development-purposes-global-professional-standard-1st-edition), which sets out some considerations around types of 'density'.

⁷ <https://www.udg.org.uk/publications/othermanuals/building-healthy-life>

Question 5: Do you agree that the focus of design codes should move towards supporting spatial visions in local plans and areas that provide the greatest opportunities for change such as greater density, in particular the development of large new communities?

Yes, creating a spatial strategy at wider than district area (county or unitary scale), working down into housing and employment numbers for a district and then a district spatial vision and design codes would be a positive step forward.

RICS supports the view of many industry participants that the loss of strategic planning in 2010 was unhelpful. Such planning is essential to guide strategic scale new mixed-use settlements (500-2,000), and New Towns (10,000+).

Focusing future design codes on these strategic sites of substantial scale would assist in creating attractive places to live and work, but it remains in the public interest to address existing settlements (brownfield redevelopment, edge of primary settlement housing). That is where the majority of people live and will continue to live, and this remains important.

The key towns and villages strategy has denied some smaller settlements the opportunity to expand to create a sustainable level of services. Any decentralisation of population must be accompanied by a proportionate increase in infrastructure provision. Should the Government be minded to develop on Grey Belt and Green Belt/greenfield sites a design code will help to soften the impact and can potentially increase public support. However, we would wish to avoid creating a multi-layered planning approval process, which could create a barrier to growth and pressure on LPA resources.

A future design code could provide guidance on resolving the potential tension between Grey Belt/Green Belt release and the 'golden rules'. Grey Belt/Green Belt release would be in sustainable locations, located at a settlement boundary. A design scheme would need to satisfy target 50% AH, climate change, BNG policy, open space requirements, all policy requirements. This is best done through the mechanism of the local development plan in co-operation with adjoining local authorities to achieve the appropriate balance of policy objectives.

A further consideration should be the public benefit that could be provided by increasing public access to green space, mentioned in the golden rules. This is potentially a highly positive benefit but would affect overall housing density measured as units/Gross Development Area and would impact land value and thereby land supply.

As land supply is potentially increased, it must not be forgotten that the land will need release and BLV becomes critical – see Q37.

There may be merits in introducing a simplified national design code / set of national development management policies that would speed the design process, although care would need to be taken to avoid the loss of locally distinctive and vernacular design, and the ability of local communities (LPAs) to develop the needs of their communities (for example housing mix etc). Further work with the Office for Place would be welcomed.

Strengthening and reforming the presumption in favour of sustainable development

Question 6: Do you agree that the presumption in favour of sustainable development should be amended as proposed?

Yes, Central Government and most LAs have declared a 'climate emergency', most introductions to emerging replacement plans now state this, and that the plan seeks to promote 'sustainable development'.

One of the primary reasons industry groups have campaigned for Green Belt review is the unintended effect that this useful but often misunderstood land concept has promoted. Its existence created pressure on building within tightly controlled urban settlements or jumping the Green Belt to create housing at distance from existing service settlements, often without the scale necessary for employment or public transport improvements.

All new development and the plans that allocate land for future employment and housing must always focus on delivering true 'sustainable development'. The draft changes now require Green Belt review and thereby if adopted would enable this to occur.

Restoring the 5-year housing land supply

Question 7: Do you agree that all local planning authorities should be required to continually demonstrate 5 years of specific, deliverable sites for decision making purposes, regardless of plan status?

Yes, each LA should have a robust up to date plan, adequate land allocated to deliver against housing 'need', and delivery.

Performance against the target should be reported. This enables corrective action to be taken if under delivery arises, it keeps LA executives and officers focused on the important goal and provides clear public accountability to the electorate. Industry (planning consultants, developers, builders, private sector building control, EPC issuers, etc.,) should all play their role, information should be shared, collated and reported.

With emerging AI this will become simpler and close to 'real-time'.

A related set of Local Authority housing data is collated and published on [Gov.UK](#). This is a valuable tool as it provides affordable housing delivery data including applications consented, AH built, and s106 collated and spent.

AH data is published by MHCLG [here](#), we encourage the live annual reporting by LPAs of housing delivery in terms of open market and AH.

Accurate data collection and its open-source sharing is welcome.

It will be essential to identify 5 to 10 and 10 to 20 years of housing need linked with economic growth plan, but reviewed every 5 years. This will give more credibility and confidence to the market and encourage investment in both property and the construction industry.

Question 8: Do you agree with our proposal to remove wording on national planning guidance in paragraph 77 of the current NPPF?

Yes, the introduction of the additional wording in December 2023 was too complex and unnecessary with no clear goal. Market participants and the public understand 5-year housing supply, the annual reporting requirements, and its benefits in providing transparency on housing delivery performance.

Restoring the 5% buffer

Question 9: Do you agree that all local planning authorities should be required to add a 5% buffer to their 5-year housing land supply calculations?

Yes.

Question 10: If yes, do you agree that 5% is an appropriate buffer, or should it be a different figure?

Yes, restoration of a buffer is prudent. Local plan making, calculation of housing need, and the allocation of land is not a precise science

The addition of a contingency is supported, and 10% would be a reasonable starting point. Setting a more precautionary contingency, in addition to the proposed change to the calculation formula would provide welcome additional flexibility to ensure housing delivery that meets local need.

Other members have suggested a higher buffer of 20-25%, with the requirement to over-allocate land through a buffer to ensure that there are enough consents coming through to secure the appropriate delivery allowing for the fact that not all permissions will be constructed.

As the Government has recognised, there is a 'catch-up' necessary to address the crisis.

Question 11: Do you agree with the removal of policy on Annual Position Statements?

Yes, the focus and priority on each LA working up and establishing an up-to-date NPPF compliant local plan. With a newly adopted local plans and re-establishment of 5-year housing supply requirement⁸, then given the relatively low use of the Annual Position Statements (APS) this measure is probably unnecessary. Recent data indicates that only 2 authorities have used the APS in 2024.

Maintaining effective co-operation and the move to strategic planning

Question 12: Do you agree that the NPPF should be amended to further support effective co-operation on cross boundary and strategic planning matters?

Yes, housing, employment and transport needs are not defined by local authority boundaries on a map, therefore cross boundary collaboration is essential.

PINS introduced Statements of Common Ground (SoCG) (a record of matters that have been discussed, agreed and those that remain outstanding) on Nationally Significant

⁸ Annual Position Statement (APS) introduced in the 2018 NPPF whereby LPAs can 'confirm' (i.e. fix) a five-year housing land supply ('5YHLS') position

Infrastructure Projects, and they started to be used in replacement plan examinations a few years ago.

It is essential that neighbouring authorities converse and until a wider area spatial planning mechanism returns, the Duty to Cooperate should remain in place. SoCGs provide a simple method of taking a summary of those conversations into an examination.

As PINS and MHCLGs LPA support teams increase resource and take on a more advisory/guiding role ahead of a local plan's examination, they could beneficially encourage use of SoCGs to ensure relevant and necessary dialogue. The NPPF should reflect this requirement.

The Duty to Cooperate and collaboration to find equitable solutions between neighbouring authorities remains essential. The revised housing need calculations are likely to result in many more cross-boundary discussions around the potential location of expanded housing requirements. Experience is that these discussions are difficult to resolve – both practically and politically. The SoCG facility needs to be adopted earlier and more frequently.

Mediation through a plan's examination will then enable solutions to be found and robust plans to be made more swiftly

Question 13: Should the tests of soundness be amended to better assess the soundness of strategic scale plans or proposals?

Wider geographical spatial planning must be restored since it was removed in 2010. It remains an essential component of robust plan making. Its absence feeds issues such as poor infrastructure planning and delivery in support of new housing and employment.

It follows that the test of soundness should better assess the soundness of strategic scale plans, using mediation during the plan's examination. In the short term that could focus on the submitted SoCG and reinforcing the Duty to Cooperate requirement.

The focus should be on economic growth and delivery of houses to meet the economic growth targets.

The tests as devised are capable of being used to assess soundness. However, a strengthened duty to co-operate and enforceable requirements for timely input from

key infrastructure providers and statutory consultees will be critical to accelerating plan making, consenting development leading to improved housing delivery.

Question 14: Do you have any other suggestions relating to the proposals in this chapter?

Self-build/custom build has been more successful in many other countries than in the UK despite several UK initiatives to facilitate this. It does seem to offer an unrealised potential to contribute to housing supply. In the light of the Bacon review more consideration could be given to stimulating self-build housing.⁹

Not all Local Authority self-build registers seem to be open for inspection. Transparency and sharing of such data would be helpful as it provides evidence of demand to inform future plan making and land promotion to meet this need.

Chapter 4 – A new standard method for assessing housing need

Setting the baseline – providing stability and certainty through housing stock

Question 15: Do you agree that Planning Practice Guidance should be amended to specify that the appropriate baseline for the standard method is housing stock rather than the latest household projections?

Yes, in principle this should result in an incremental increase evenly distributed to existing settlements, help strengthen existing town centres through expanding their catchment and provide critical mass to upgrade infrastructure. The assessment should be based on habitable stock and adjusted to the required number of dwellings necessary to meet the target of economic growth for the area.

No calculation method will be perfect. This adjustment together with abandoning the urban centre uplift will increase the housing need requirement to a level that has a better prospect of addressing the housing crisis.

⁹ [Independent review into scaling up self-build and custom housebuilding: report - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/671222/independent-review-into-scaling-up-self-build-and-custom-housebuilding-report.pdf)

There will however be specific circumstances which will require an ability to moderate certain housing numbers emerging from an assessment under the proposed new standard method. We have received reports of instances of substantial increases above the current levels or ability/capacity to deliver based on the new method. For example, the data published for the consultation throws up some outliers. For example, Redcar and Cleveland increases from 45 to 642 (1,338%), in contrast Birmingham decreases from 7,174 to 4,974 (31%) and the top 20 city urban uplift (35%) is to be removed. It is important that the targets are ambitious but attainable otherwise they will become self-defeating objectives.

Where it may not be possible to meet the calculated need despite taking all possible steps, the method for dealing with this is during examination, and in collaborative working between LAs and PINS and external stakeholders during the preparation of a replacement plan, ahead of its examination.

We support a process where all the land options are analysed, tested ahead of an examination. If quality information is brought into examination, then these limited circumstances will be supported by the evidence produced and appropriate adjustment could then be recognised.

Adjusting for affordability

Question 16: 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?

Yes, there is a logic in directing housing to those areas with the greatest house price pressure, so this principle is supported.

Question 17: Do you agree that affordability is given an appropriate weighting within the proposed standard method?

Affordability is a well-established metric for adjusting housing need targets. It is widely understood by communities, elected members and planning inspectors, as it is simple and there is an apparent logic to it.

As a step it is not perfect as it measures the impact of the quality/size/desirability of housing in an LPA against average earnings. Rural areas tend to have larger and more expensive houses than metropolitan areas, rural incomes are often less than urban

incomes, some LPAs are very socio-economically diverse – they may include both deeply rural areas and traditional densely developed urban areas. Further, household incomes are a better indicator of affordability than earning – particularly when thinking about older person’s households, or families with one working parent. There are locations where a very high ratio reflects housing mix, not levels of demand and affordability.

Even in areas of market failure there are issues of affordability, and the Standard Method will include an uplift. In such circumstances, public sector interventions may be required to bring housing forward.

The calibration of weighting is clearly a matter of great sensitivity and it would make sense to run multiple iterations with an impact assessment, however this would add to the complexity of the calculation.

Question 18: Do you consider the standard method should factor in evidence on rental affordability? If so, do you have any suggestions for how this could be incorporated into the model?

Yes. Housing need should consider rental affordability.

Question 19: Do you have any additional comments on the proposed method for assessing housing needs?

We welcome the move to a stock-based system which includes the need to set ambitious targets. These must be responsive to the reality of the local circumstances to deliver these targets. Housing needs assessment must also consider the specific needs of existing local people in each location.

Chapter 5- Brownfield, grey belt and the Green Belt

Being clear that brownfield development is acceptable in principle

Question 20: Do you agree that we should make the proposed change set out in paragraph 124c, as a first step towards brownfield passports?

Planners will already advise clients on likely options on urban brownfield sites, this extra step to create certainty is welcome. We believe the Government should actively promote the development of brownfield land.

Making it easier to develop Previously Developed Land (PDL)

Question 21: Do you agree with the proposed change to paragraph 154g of the current NPPF to better support the development of PDL in the Green Belt?

Yes.

Question 22: Do you have any views on expanding the definition of PDL, while ensuring that the development and maintenance of glasshouses for horticultural production is maintained?

In principle, we do not consider that the rules around redevelopment of glasshouses should be any stricter than for other brownfield sites. We recognise that policy makers might wish to avoid hastening the decline of such enterprises, but there are sufficient safeguards in the existing planning policy regime to address the matter.

Horticultural and Agricultural enterprises are experiencing a challenging time economically with a need to be able to adapt and diversify to bring in new income streams reasonably compatible with their rural environment. The re-use, or replacement of redundant agricultural and horticultural buildings which include glasshouses should be considered, subject to reasonable rules/evidence such as:

- Evidence that the last use was horticulture but that use no longer exists, or the building is no longer fit for that purpose (end of economic life), and there is no demand for replacement of the glasshouse.
- the 10-year rule¹⁰.
- That a change of use or building replacement (Previously Developed Land [PDL]) supports the viability or diversification of an established business.
- If replaced the building/structure/development is of a suitable scale and volume for the setting and provides for a beneficial local need in a sustainable manner.
- If a business has ceased to exist, the buildings have reached the end of their economic life and are no longer required, alternative sustainable use for the land should be considered – this is PDL/Grey Belt.

The evidence of land ownerships dates, and use of the land will enable authorities to ensure token abandonment for gain, circumventing the rules is avoided.

¹⁰ Such benefits do not apply to new agricultural buildings less than 10 years old, to reduce circumvention.

In appropriate cases backed by relevant evidence the beneficial re-use of PDL is more sustainable than the use of virgin greenfield or Green Belt, and opportunities for smaller local residences for local rural people should be supported.

Defining grey belt

Question 23: Do you agree with our proposed definition of grey belt land? If not, what changes would you recommend?

The definition is supported and welcome.

We suggest that the definition could be further reinforced with the emphasis on testing any land within existing Green Belt at plan making stage with focus on the primary purposes of the GB a) and b) (below).

Purpose e) has been demonstrated and achieved as far as practicable since the Green Belt's introduction, and c) will now need to be relaxed to achieve the policy's aim, purpose d) is controlled through other local plan policies.

As these definitions are well understood they should remain. However, clarity in their interpretation could be provided by the following amendment:

".....make a limited contribution to the five green belt purposes, **in particular, core founding purposes a) & b).**

Green Belt serves 5 purposes:

(a) to check the unrestricted sprawl of large built-up areas;

(b) to prevent neighbouring towns merging into one another;

(c) to assist in safeguarding the countryside from encroachment;

(d) to preserve the setting and special character of historic towns; and

(e) to assist in urban regeneration, by encouraging the recycling of derelict and other urban land.

Without such clarity in the policy text, or guidance notes, then based on the standard and format of existing market Green Belt reviews/assessments, purpose 'c' could be the

source of significant debate and challenge. That would be contrary to the Government's objective in seeking a housing delivery 'boost' that delivers new housing units at 300k units pa (average over 5 years).

We also recommend broadening the definition of Previously Developed Land (PDL) to include agricultural and horticultural land use in appropriate circumstances (see Q22). The existing NPPF controls over this land derived from historic Green Belt control. The relevant former controls now need modification to ensure that in appropriate circumstances agricultural/horticultural, PDL is released ahead of virgin greenfield Green Belt land, where no longer required.

Question 24: Are any additional measures needed to ensure that high performing Green Belt land is not degraded to meet grey belt criteria?

There is a risk that agricultural activities may be wilfully abandoned in pursuit of higher value uses and adequate guards must be in place. There are established enforcement measures available that can be deployed to avoid this, and the established 10-year rule¹¹ is helpful, but it is important that the resources to apply existing controls are in place and bolstered. We welcome the commitment to increasing LPA staff resource.

More broadly, there are also existing standard policy tests that assess the contribution that land makes in terms of landscape value. These would still apply and landscape and visual impact assessments can be produced using winter and summer effects to provide relevant evidence in support of good decision making.

As potential Grey/Green Belt land is reviewed for release during the forward plan making process this would remain a key consideration when evaluating land parcels submitted under a 'call for sites' and the strategic housing land availability assessments (SHLAA).

Question 25: Do you agree that additional guidance to assist in identifying land which makes a limited contribution of Green Belt purposes would be helpful? If so, is this best contained in the NPPF itself or in planning practice guidance?

Yes, see also Q23, a change could be made to the NPPF.

LAs should focus on the most important issue. New development must be sustainable and therefore edge of settlement Green Belt development, in appropriate locations is a natural starting point to meet housing 'need' provided the primary Green Belt purposes

¹¹ 10-year rule in place in other planning legislation such as [GPDO](#) to protect against new agricultural/forestry buildings being erected, abandoned and consent sort for employment/resi uses

'a' and 'b' are not significantly affected, when looking at the wider regional Green Belt strategy for the authority area.

We suggest this clarification is either made within the draft policy, or added to the policy guidance note attached to the NPPF to maintain momentum in achieving the desired housing supply 'boost'.

The NPPF has long provided another useful guide to selecting such locations. These are set out in para 148 a) to f). These still apply and are helpful in plan making.

148. When defining Green Belt boundaries, plans should:

- (a) ensure consistency with the development plan's strategy for meeting identified requirements for sustainable development;*
- (b) not include land which it is unnecessary to keep permanently open;*
- (c) where necessary, identify areas of safeguarded land between the urban area and the Green Belt, in order to meet longer-term development needs stretching well beyond the plan period;*
- (d) make clear that the safeguarded land is not allocated for development at the present time. Planning permission for the permanent development of safeguarded land should only be granted following an update to a plan which proposes the development;*
- (e) be able to demonstrate that Green Belt boundaries will not need to be altered at the end of the plan period; and*
- (f) define boundaries clearly, using physical features that are readily recognisable and likely to be permanent.*

Question 26: Do you have any views on whether our proposed guidance sets out appropriate considerations for determining whether land makes a limited contribution to Green Belt purposes?

"We propose incorporating the following into the glossary appended to the NPPF but welcome views on the most effective way of providing this guidance: Land which makes a limited contribution to the Green Belt purposes will:

- a) Not strongly perform against any Green Belt purpose; and*
- b) Have at least one of the following features:*
 - i. Land containing substantial built development or which is fully enclosed by built form*
 - ii. Land which makes no or very little contribution to preventing neighbouring towns from merging into one another*
 - iii. Land which is dominated by urban land uses, including physical developments*
 - iv. Land which contributes little to preserving the setting and special character of historic towns”*

As with Q23, the focus for a) should be purposes a) and b) of the Green Belt, otherwise the drafting is clear in its intent. Clarification and limitation of the weight of purpose ‘c’ encroachment is essential to avoid unnecessary debate and challenge.

Land that subject to local plan review might in future be released at the settlement edges, will often perform limited contribution to b ii), and can improve b iv) offering softer, more attractive gateways into our established urban settlements alongside open public space.

In addition, we therefore suggest that the ‘glossary’ appended to the NPPF update could also provide a list of ‘positive attributes’ that would carry significant weight in Grey Belt/Green Belt release, i.e. indicators that Grey Belt/Green Belt release might be appropriate:

- i) adjacent existing primary settlements with extensive services and facilities
- ii) proposals that offer a good level of public open space, which was not previously available with all the associated well-being benefits
- iii) near to existing or planned rail or public transport nodes,
- iv) opportunities that unlock active travel links, and
- v) perhaps a priority in (planning ‘weight’) for those proposed allocations that offer above policy compliant community benefits e.g. public open space, public access and recreation opportunities, active travel opportunities, etc.,

Point ii) in particular does not appear to be captured anywhere else in the draft (beyond target AH 50%) and would recognise and encourage the delivery of tangible community benefit alongside an affordable and market housing boost.

13. Protecting Green Belt land

“unless the review provides clear evidence that such alterations would fundamentally undermine the function of the Green Belt across the area of the plan as a whole.”

This is helpful, and it remains ‘via plan making’ that Green Belt should be reviewed, which we support.

The opportunity to bring forward sites that are already in the local plan making system if LAs fail to respond positively¹² to the opportunity is provided.

The NPPF glossary, could be the appropriate insertion point for the suggested clarification “that Green Belt primary purposes a) and b) should be the focus of any decision on Grey Belt/Green Belt release” as set out in our response to Q23.

Question 27: Do you have any views on the role that Local Nature Recovery Strategies could play in identifying areas of Green Belt which can be enhanced?

Members are aware of promoted Green Belt land with EIA screening, ecological surveys, Biodiversity Net Gain (BNG) assessments completed. Now the Green Belt rules are to be updated it is likely most opportunities will have been identified, and developers and promoters will swiftly bring those sites forward together with supporting evidence. Some will have comprehensive data and are ready to meet 5-year supply.

Most of the land that will come forward as a result of the proposed NPPF update will already be in the local plan system and will have been identified through ‘call for sites’, and the standard Strategic Housing Land Availability Assessment (SHLAA) process, that forms part of a replacement plan’s preparation.

These sites will already have been subject to a full range of surveys and feasibility reports including, Phase 1 extended ecological surveys, in some cases follow on seasonal protected species surveys, BNG assessment, etc.

That work by land promoters, developers, owners and the LPA’s own evidence gathering will have already identified and drawn in nature recovery strategy data.

Larger sites may also have completed an Environmental Impact Screening and Scoping assessment, that beneficially has Natural England as a consultee.

¹² >200dpa threshold

It is therefore unlikely that this useful source of information has not already been drawn into the process, as the land market is efficient, but it is a relevant consideration in assessing land for Grey Belt/Green Belt release.

Land release through plan-making

Question 28: Do you agree that our proposals support the release of land in the right places, with previously developed and grey belt land identified first, while allowing local planning authorities to prioritise the most sustainable development locations?

Yes, RICS support the approach for land release. LAs will be able to identify the most sustainable locations which will be defined in their spatial strategies.

The necessary Green Belt review and sustainability assessment will be implemented during replacement plan making, and Reg 18 and Reg 19 draft plans will in many cases already have this evidence available.

The proposed NPPF changes makes the expected position for establishing housing need and the requirement for and approach to Grey Belt/Green Belt review very clear. If implemented as drafted, this will lead to the optimum sustainable land uses, as it will lead to Green Belt and greenfield land review alongside the focus on brownfield.

The prior exclusion of Green Belt land by some LAs during plan making from any consideration whatsoever has led to sub-optimal land use allocations, and the collapse of some local plan examinations¹³. The draft NPPF will address this critical matter in a balanced and proportionate manner.

Once plan-making is complete, the sequential nature of the planning process should manage land release. In advance of the completion of the plan process and particularly in areas where a 5-year land supply is not in place, this hierarchy may not operate as intended.

The current approach has left useful viable housing land stuck in the system for 7 years or more, even though those sites may have been promoted and brought forward in full accordance with the NPPF replacement plan making requirement.

We are, however, concerned that all local plans currently at the Reg 19 consultation stage would only result in 230,000 houses being provided falling well short of the 300,000

¹³ [West of England Combined Authority, Joint Spatial Plan](#)

target. In support of achieving a housing delivery 'boost' within the current parliamentary period an appropriate buffer in excess of 5% is therefore supported (Q9/Q10).

We are also concerned at the moving back of the deadline for replacement plans to December 2026. The plan making process beneficially draws in local stakeholders but to deliver a housing boost, decisions will need to be made ahead of plans being in place under the proposed modified NPPF, or the Government's primary objective of visible and meaningful housing delivery boost within the parliament will not be achieved.

New draft NPPF para 152 provides a helpful mechanism to encourage early plan making, or facilitate favourable decisions on sustainable sites [152 (a)] in authorities with <5yr Housing Land Supply, by removing the Very Special Circumstance (VSC) test, where development:

Does "not fundamentally undermine the function of the Green Belt across the area of the plan as a whole" [152 (b)] and delivers the golden rules in new para 155 [(152 (c)].

RICS support the approach to boost supply and encourage speeding up of plan making, but it is essential if this is the intent to provide absolute clarity on GB review assessment – see Q23 & Q26.

Question 29: Do you agree with our proposal to make clear that the release of land should not fundamentally undermine the function of the Green Belt across the area of the plan as a whole?

Yes, see also response to Q23, Q25 & Q26

RICS supports the primary originating function of the Green Belt.

Allowing development on the greenbelt through decision making

Question 30: Do you agree with our approach to allowing development on Green Belt land through decision making? If not, what changes would you recommend?

Yes, the proposed NPPF amendments clarify how housing can be brought forward through decision making.

Supporting release of Green Belt land for commercial and other development

Question 31: Do you have any comments on our proposals to allow the release of grey belt land to meet commercial and other development needs through plan-making and decision-making, including the triggers for release?

Subject to the proposed changes Grey Belt/Green Belt should be considered at plan making stage for the release of land for commercial, employment, or mixed use. To be sustainable residential led development requires the provision of other non-residential uses in support.

Whilst older employment sites within urban settlements provide a useful function in low-cost starter business premises. Much of this land will be protected as 'allocated employment land' in an existing local plan. The good intent is to retain jobs and employment in urban areas near housing and employees. That is 'sustainable'.

A specific brownfield issues that can arise is that residential land is higher value than employment.

Consequently, as these sites approach the end of useful life when they may be acquired for land speculation. LAs will be familiar with such sites coming forward seeking mixed use development to support the necessary redevelopment investment.

Many sites will need remediation, asbestos removal, demolition of existing buildings, new service infrastructure etc., Some will be located in areas subject to flood risk that whilst unacceptable for more sensitive residential use was considered acceptable for commercial use.

True sustainable development in response to the climate emergency must consider weigh up and balance all these relevant factors.

If good plan making has not been in place with all land uses considered, this can lead to unsatisfactory outcomes, when considering public interest.¹⁴

¹⁴ For example seeking education land for the public benefit and being forced to compete on an urban brownfield site at residential values, on a lower commercial/employment value site.

Viability needs testing on these sites in the same way that land for PDL in Grey/Green Belt. That then helps to retain employment use, avoid residential in brownfield but within flood risk areas.

Draft Para 84 importantly covers larger strategic sites in support of modern economies for “laboratories, gigafactories, data centres, digital infrastructures and logistics”

Para 142 mentions Grey Belt/Green Belt release to meet “commercial” needs.

There is no mention of using Grey Belt/Green Belt release to support the rural economy and needs which could benefit from small scale commercial opportunities. There is an opportunity to unlock affordable and open market small starter units.

See also our response to Q22.

Question 32: Do you have views on whether the approach to the release of Green Belt through plan and decision-making should apply to traveller sites, including the sequential test for land release and the definition of PDL?

Yes, Green Belt land should, at the plan making stage, always be reviewed alongside all other land submitted under a ‘call for sites’, tested by sustainability appraisal and Green Belt review against the 5 purposes (focus on purposes a) and b)). That includes against all needs, i.e. housing, employment, education, recreation, telecoms etc. That should include identifying traveller sites.

Planning policy for traveller sites

Question 33: Do you have views on how the assessment of need for traveller sites should be approached, in order to determine whether a local planning authority should undertake a Green Belt review?

It seems unlikely that any urban centre with Green Belt around its perimeter will not need to undertake a Green Belt review to meet unmet need and address the housing crisis. If that is not the case then in any instance where there is an unmet need for traveller sites, rural employment, education, etc., Green Belt review should be mandatory.

Golden rules to ensure public benefit

Question 34: Do you agree with our proposed approach to the affordable housing tenure mix?

There is a balance to be struck between delivering the aspirations of local planning policy and maintaining viability. The affordable housing tenure mix is part of this consideration. Policy will need to respond to local needs in terms of this housing mix but also having regard to what may be deliverable.

A clarification in definitions of affordable housing so it is clear that affordable housing is housing for households that cannot access market housing to rent and or buy would be helpful.

Social Rent and Affordable Rent tenures have different impacts on viability assessments. Based on recent plan-wide viability assessments by RICS members the maximum affordable housing target will be between 5% and 10% lower where the affordable housing to rent is Social Rent rather than Affordable Rent. Nevertheless, a larger percentage of intermediate housing, such as shared ownership could improve viability and meet housing need.

With the increasing challenges around affordability, it is vital that a mix of affordable solutions are offered. One such solution is Shared Ownership that goes a long way to bridge this gap. With the ongoing improvements of this tenure, especially through the Shared Ownership Council, it is important that investment grows in line with demand.

Question 35: Should the 50 per cent target apply to all Green Belt areas (including previously developed land in the Green Belt), or should the Government or local planning authorities be able to set lower targets in low land value areas?

RICS supports the intent to achieve AH delivery boost but the case studies set out below evidence that 50% will be unachievable in many areas and locations. Viability testing at plan making stage remains necessary and should apply as currently conducted. Some low sales value areas will not support this target, so the need for flexibility remain essential to deliver more housing including more affordable. Either lower targets or a subsidy towards meeting the 50% target will be required.

Since April 2018 when the NPPF was updated and the July 2021 RICS guidance note¹⁵ land values are aligning more closely with EUV+. This will protect the delivery of viable AH and drive the desired change moving forward.

Viability still remains challenging in some locations, particularly low value locations including South Yorkshire and parts of South-West England and more broadly, where we have had access to modelling.

Case Study 1 – South Yorkshire

The following help illustrate the impact of 50% AH on sites released from the Green Belt in lower value areas, The unintended consequence being MLV won't be able to be achieved/landowners won't be willing to sell.

	£250 psf Market Value					£280 psf Market Value			£300 psf Market Value		
	10%	20%	30%	40%	50%	30%	40%	50%	30%	40%	50%
Residual Land Value (£ per nda)	£225,000	£175,000	£145,000	£25,000	-£52,000	£380,000	£260,000	£185,000	£550,000	£415,000	£335,000
15% Discount / Promote Fee (£ per nda)	-£33,750	-£26,250	-£21,750	-£3,750	£7,800	-£57,000	-£39,000	-£27,750	-£82,500	-£62,250	-£50,250
Deductibles (say £25k per nda)	-£25,000	-£25,000	-£25,000	-£25,000	-£25,000	-£25,000	-£25,000	-£25,000	-£25,000	-£25,000	-£25,000
Minimum Price Check (per nda)	£166,250	£123,750	£98,250	-£3,750	-£69,200	£298,000	£196,000	£132,250	£442,500	£327,750	£259,750

Assessing viability on a 140-unit scheme, on a 10 net acre parcel of land, appraised at a level of 30%-50% affordable housing.

GDV tested between £250-£300psf (using a blended 60% of market value as affordable GDV).

In terms of costs, allowed £300k per nda for servicing, £115 psf vertical build (+ 5% contingency & 5% fees), £5k per plot for abnormals and £8k per unit for S.106. Finance costs at 7.25%.

¹⁵ Re-issued April 2023 as professional standard

Running them on a 20% profit on GDV basis, the table below summarises the residual land value (£ per nda) and shows the amount left to pay the landowner after a 15% discount and recovery of costs.

The quick exercise suggests (whilst appreciating there are so many variables in the appraisal):

- £250 psf - it just wouldn't stack up in a lower value area, you'd need some movement elsewhere in the appraisal*
- £280 psf - 30% would be viable on minimum prices of around £200k-£250k per nda.*
- £300 psf - even 50% in our higher value areas will be tight, but 30%-40% looks more achievable.*

Case Study 2 – South West England

Viability modelling during the Reg 19 plan process was completed by Dixon Searle Partnership for North Somerset Council – [see here](#)

In particular [para 23, page 4](#):“From a viability perspective (DSP’s focused remit) the Council has made a key, positive adjustment to the proposed affordable housing policy headlines, which are now at 38.5% AH from GF developments and 20% from PDL. These positions have replaced the straight 40% AH policy – previous iteration of draft policy at the point of our earlier stage involvement in this assessment.”

The authority had sought to achieve a flat rated 40% AH target across all developments within the plan area. Viability modelling for the authority is set out in the linked documents. It is recent and relevant as it is supporting plan making in accordance with the NPPF.

The report highlights the challenge achieving 40%.

The current Reg 19 stage North Somerset Council draft plan seeks to drive investment in Weston Super Mare the main settlement, but sales values are low, previously developed land values are high and the result is that the target brownfield redevelopment is slow and delivers low AH. As a consequence of detailed viability modelling the plan target was revised to 20% on PDL and within settlements, and greenfield land in higher value areas is necessary to achieve higher levels, now standing at 38.5%. DSP’s modelling suggested that even those levels were potentially challenging:

Para 26 "Overall, while the positions of 20% AH on PDL and 38.5% on GF are in our assessment generally probably an upper end view of the achievable range of likely outcomes, these and especially the former represent a blend of seeking to meet needs and an acknowledgement of the variety of scenarios that may be seen. The full AH policy outcomes are within the overall range of sensitivity tests carried out, rather than necessarily supported directly by current values and costs assumptions."

....and at para 27:

"On PDL, the results show that even a 0 to 10% AH policy would not secure the viability of all sites, while underplaying the needs and potentially narrowing the scope where fuller provision is possible."

This detailed set of viability modelling assessment highlights the complexities of valuing land and attempting to apply a fixed set of rules, or guidelines.

The key point to note is that land around the other major settlements is currently within GB and 50% AH is going to be highly challenging in some locations within North Somerset, but it is likely to be capable of delivery in some locations, and the target is supported.

Case Study 3 – Locations across England

The proposed policy incorrectly assumes that there is a correlation between greenbelt areas and high value house price areas – and therefore viability. Much of the greenbelt is in very challenging and low value areas such as around Stoke on Trent, Nottingham, around and between Liverpool to Leeds (including the low value Lancashire Valleys), around Newcastle and Gateshead and other Tyne Valley settlements. While the thrust of the policy is welcomed, it is unrealistic (and risks falsely raising community and local councillor expectations) to suggest that 50% may be deliverable.

Based on ongoing and completed work in Essex, Hertfordshire and around the M25, high levels of developer contributions for strategic infrastructure and mitigation mean that 50% is unlikely to be achieved. Strategic infrastructure and mitigation contributions can be well in excess of £50,000 per unit.

Affordable housing targets should be established through the Local Plan process where the requirements to maximise public benefit is set out already:

Based on the foregoing evidence, RICS considers the unintended consequence of setting an inflexible 50% target to all GB areas would be to shut down land supply and turn off the significant land promotion investment required. That would be completely counter-productive to achieving a housing delivery 'boost' within the parliament.

Current planning policy advocates striking *"a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission"*.

This is an important policy statement from which government should not depart. It is essential for MHCLG to reflect upon the potential adverse effect of an inflexible target and the related point that much of this land supply will already be controlled under option and long-standing land promotion agreements, many of which date back to before BLV changes were introduced.

Notwithstanding the current government policy that price paid for land should not impact on planning obligations at consenting stage, significantly increasing the supply of land for housing delivery is a central part of these NPPF reforms. The balance being struck to satisfy the legitimate interests of diverse stakeholders will be different in different locations based on local evidence. The measures being proposed to accelerate land coming forward for development need to take account of this.

These same concerns are reflected in our response to Q44, Annex 4.

There is also a growing issue around the collapse of section 106 demand, resulting in a drop-off in affordable homes and major delays on for-sale schemes. A recent Building article¹⁶ highlights the challenge, with case studies across the country. To ensure we achieve the Government's ambitions on AH, then challenges with S106 agreements need to be addressed. This is an area that RICS is ready to support the Government on.

¹⁶ [What does the collapse in section 106 demand mean for housing delivery? | Features | Building](#)

Delivering improved public access to green space

Question 36: Do you agree with the proposed approach to securing benefits for nature and public access to green space where Green Belt release occurs?

Yes, RICS supports the concept of GB release with tangible benefits such as AH at highest achievable levels, BNG, public open space etc.

Establishing the appropriate housing mix to sustainable development standards is an important part of creating a viable development. The Dixon Searle Partnership viability modelling above (Case Study 2) provides an insight into the tension arising from one of these tangible benefits of increasing housing through increased density. It suggests that 50% might only be achieved in limited high value areas of the authority's district and/or in combination with a higher than 40dph density. Former Green Belt land will have its distinct characteristics and suitability for development at certain densities. Such tensions need to be addressed during application stage viability review.

To encourage the delivery of community beneficial public open space, active travel, etc. we recommend the NPPF update recognises and perhaps fast tracks, or at least add weight to the delivery of above policy level of community benefits. That could be in the form of generous areas of public open space, providing new, or enhanced access to previously inaccessible Green Belt land.

Some sites may be able to provide such wider benefits. We suggest that is then worthy of recognition. Such tangible benefit could assist in engendering continued public support, for the proposed changes. An objective assessment of public access to green space should be made and additional provision secured if there is no or little access available in any area. There is potential for trade off with affordable housing delivery in the golden rules on sites that are subject to viability. This should be a balancing exercise decision for the planning authority as with all decisions.

Green Belt and benchmark land values

Question 37: Do you agree that Government should set indicative benchmark land values for land released from or developed in the Green Belt, to inform local planning authority policy development?

There is a mistaken impression that land in the Green Belt has been completely isolated from what is happening in the land market and planning policy in areas not designated Green Belt. There is the view that its Green Belt designation has meant it is uniformly sterilised from development across the country and that this uniform designation has uniform values and planning policies attached to it. It is more helpful and more realistic to understand the Green Belt under the current regime as a continuum of planning policies and market responses acted on by landowners and developers, albeit highly restrictive in the Green Belt and with significant additional risk compared with allocated land or unallocated land not designated Green Belt.

MHCLG's statistics on Green Belt land attest to the changing area of the Green Belt designation through re-allocation and substitution responding to development pressures. The reallocation of Green Belt land in North West Cambridge for example, further demonstrates the need for expansion from adjoining areas, the local planning policy response through removing the Green Belt designation and the connectivity and linkage to market conditions in the adjoining built area.

Land values are essentially a reflection of local house prices, construction costs and profit requirements and are broadly similar across England. Given that house prices vary wildly across England, and there is this clear and direct relationship between house prices and land values, it is illogical to apply a single benchmark land value (BLV) across the country. If a national BLV is set it will inevitably lead to land being held off the market in areas of currently high land values where the need to increase supply is greatest.

In summary the current Green Belt policy already includes the option in exceptional circumstances for development. These possibilities are sometimes immediate, at other times more distant opportunities. Either way this development potential feeds into the land market and the terms under which option agreements are negotiated. Consequently, during the course of long-term strategic land promotion this creates a gradation of land values commensurate with the timescale and risk associated with a re-allocation of Green Belt land where 'exceptional circumstances' are arguable.

Successful GB release cases through the forward plan process, decisions made by Authorities failing to deliver a 5-year housing land supply, or at appeal of such cases

create that market. At the point at which the land obtains a planning consent, its value is benchmarked against the general market for consented sites subject to various planning obligations. Whether the land comes forward for development will depend on the landowner's requirements in relation to market value.

Rather than seeing Green Belt land in some way completely distinct from existing policies relating to assessing Benchmark Land Value (BLV), it may be better to see it as a continuation of the same planning policies which had 'exceptional circumstance restrictions' now to be replaced with public interest requirements defined in the 'golden rules'.

The question of BLV has been much debated and reported upon before. It is so area and site specific that it is not possible to safely and meaningfully set such levels in a simple fashion that apply across wide areas of England.

All land Grey Belt/Green Belt land is not the same, even within a single LPA. Taking North Yorkshire for example there is both low value moorland and high value agricultural land in the Vale of York. The Existing Use Value (EUV) of the land will vary significantly. Equally the premium (to arrive at BLV) is informed by a range of factors such as ground conditions, requirements for infrastructure and this needs to be reflected in the premium and thus the BLV. With this in mind setting BLVs may actually result in lower levels of S106 as it is likely that the BLVs would need to be higher to cover various scenarios or run the risk of stymieing sites from coming forwards.

If the priority remains to boost housing supply and affordable housing delivery, then this is not a practical proposition and risks significantly constraining or jeopardising the beneficial upside of the proposed changes.

We advocate maintaining the current approach to land value capture, as set down in the PPG, and supported by RICS guidance effective from March 2021. It is worth recognising that despite extensive consideration, determining a national BLV was not advanced either under the PPG or in some of the more advanced stages of the Infrastructure Levy design.

- (a) define LPA housing requirement,
- (b) define essential infrastructure projects,
- (c) define affordable housing needs,
- (e) prepare a viable local plan which delivers the essential infrastructure and as much affordable housing as is viable without disincentivising landowners to bring land to the market and

(f) determine planning applications against the local plan requirement. This system, clearly set down in the PPG, and clearly setting aside "price-paid" as a material consideration, is bedding down accepted by most practitioners as starting to work well.

An LPA employs a consultant to act on its behalf for plan stage viability modelling. An example has been supplied above for North Somerset. That same model could be used to test a specific site at detailed application stage. That is a fair and transparent mechanism to ensure that public benefits are maximised, using a well-established system that is understood and appropriate to the task.

Question 38: How and at what level should Government set benchmark land values?

See our response to Q37.

The public need for delivery of affordable housing to alleviate the housing crisis is well understood.

The following issues remain:

1. Increasing construction costs in the short term to meet a wide range of other community benefits, for example carbon zero construction, lifetime accessible homes, BNG etc
2. The golden rules for GB release seek more open space, public access benefits and 50% AH (see Q35 response)
3. GB land that could now be released by the proposed NPPF will in many cases already be the subject of option and promotion agreements, and will have minimum strike prices (£/ha).
4. In many locations there will be opportunity to allocate sufficient land to meet revised 'need', with Grey Belt/Green Belt release.

Ensuring an increased supply of housing land is a core objective of the policy. Creating a landscape that maintains a sellers' incentive is crucial. If BLVs are set too low then just as the opportunity presents to increase land supply, such supply could be curtailed. Nevertheless, ways should be explored regarding how affordable housing can be delivered at the same, time, perhaps through a lower premium in BLV.

There is a well established approach to preparing Plan Viability studies and assessing viability at planning application stage which is supported by PPG Viability and RICS Guidance. This process and methodology should be adhered to taking account of the Grey Belt/Green Belt policy and accompanying deliverable golden rules.

In summary, affordable housing on Grey Belt should be treated in the same way as any other site. If it accords with the local policy requirement for affordable housing it should be permitted. Grey Belt should be treated no differently to other sites, and not as some 'new' type of land that formerly had no value, sitting completely outside the land and planning market. It is no different to other land which previously had limited planning prospects and treating Grey Belt differently risks a two-tier land market for consented residential land.

BLV and the issues described in response to Q47 does not just affect Green Belt land. Another good example is brownfield employment/commercial land.

Following the NPPF priorities and in creating sustainable development brownfield is naturally the first port of call.

Whilst the older employment sites (1950-1970s) within urban settlements provide a useful function in supplying low-cost starter business premises. Much of this land will be protected under existing local plans as 'allocated employment land'. The good intent is to retain jobs and employment in urban areas near housing and employees. That is 'sustainable'.

A specific brownfield issues that arises can be that residential land is higher value than employment.

As a consequence, as these sites approach the end of useful life when they may be acquired for land speculation. LAs will be familiar with such sites coming forward seeking mixed use development to support the necessary redevelopment investment.

Many sites will need remediation, asbestos removal, demolition of existing buildings, new service infrastructure etc., Some will be located in areas subject to flood risk that whilst unacceptable for more sensitive residential use was considered acceptable for commercial use.

Viability needs testing on these sites in the same way that land for PDL in Grey/Green Belt. That then helps to retain employment use, avoid residential in brownfield but within flood risk areas.

True sustainable development in response to the climate emergency must consider all these relevant factors.

If good forward looking plan making is not in place with all land uses considered this can lead to unsatisfactory outcomes, when considering public interest, for example having to pay residential values for education use.¹⁷

Question 39: To support the delivery of the golden rules, the Government is exploring a reduction in the scope of viability negotiation by setting out that such negotiation should not occur when land will transact above the benchmark land value. Do you have any views on this approach?

EUV+ / BLV should represent the lowest level that a landowner would reasonably expect to deliver the land. However, we know that in most cases that remains below, and significantly so in too many instances, the actual price that a developer has to pay to acquire the land and develop it. As such another artificial reduction that rules out viability assessments is not realistic. If the intention is to seek to reduce land values, then the likely result is fewer sites being brought forward for delivery.

This is already the situation and policy on disregarding the price paid for land as a reason for failing to accord with relevant planning policy is set out in very clear language in six different paragraphs of the extant PPG:10-002-20190509 etc.

The detail of such an arrangement remains highly challenging. RICS supports the goal but setting such thresholds in a workable and equitable fashion would require an extraordinarily detailed set of development scenarios to be developed, that would also require regional location factor data. (See Appendix 1 - Case Study 4) A policy requirement of 50% affordable housing will not be deliverable for sites already with an allocation within a draft local plan which has already been subject to viability testing based on a much lower affordable housing requirement. For example, retrospectively placing a 50% affordable requirement on draft allocated Green Belt sites in locations where the draft local plan currently requires 20% will not be delivered.

Question 40: It is proposed that where development is policy compliant, additional contributions for affordable housing should not be sought. Do you have any views on this approach?

We would have serious concerns about such a requirement. Affordable housing and other policy requirements should be tested and settled at the plan-making stage.

¹⁷ For example, seeking education land for the public benefit and being forced to compete on an urban brownfield site at residential values, on a lower commercial/employment value site.

Paragraph 10-006-20190509 addresses this. When bidding for land, developers need to know what the policy requirements are so as to be able to formulate a bid.

There is however separate consideration to be given to schemes with 100% affordable housing. Where a 100% affordable housing scheme is proposed is that sufficient to remove the contributions, in other words a reversal of the question asked? Many 100% affordable schemes / exceptions schemes are being asked to provide more contributions than they can. The delivery of such schemes is in fact being halted by excessive expectations.

A scheme for market housing in a low value area may not be viable enough to make contributions. Such schemes cannot be policy compliant, and that in fact applies to many others but that does not mean that their delivery is not worthwhile.

Question 41: Do you agree that where viability negotiations do occur, and contributions below the level set in policy are agreed, development should be subject to late-stage viability reviews, to assess whether further contributions are required? What support would local planning authorities require to use these effectively?

This is already part of the existing policy (paragraph 10-009-20190509 of PPG). In principle from a policy perspective this may seem like a reasonable thing to do. As the market changes, it would seem reasonable to re-assess where obligations may have been reduced at the start of a development with a view to obtaining more contributions as the schemes becomes more profitable. However, from a development perspective this can be problematic and needs careful consideration. It also impacts SME's more than larger developers.

The cost of late-stage reviews is often met by developers who may risk impacts to their profitability whilst landowners are unaffected. Developers may also encounter increased risk in securing funding for the development, leading to the potential of development not coming forward.

Late-stage reviews create uncertainty in the development process, with an impact on cashflow, borrowing and profit, potentially increasing planning risk, reducing access to funding. Recent cases were brought to our attention where lenders increased the finance costs, given the impact of a review on the loan to value ratio – a key lending metric.

Late-stage reviews may be appropriate to use in larger scale, longer term and phased schemes but are not appropriate in a number of other cases. It has also been reported

to us that although their use is prevalent in economically vibrant areas in the South East, elsewhere in areas with weaker economic conditions, Late-stage reviews present a significant obstacle to development.

Paragraph 009 of the PPG requires plans to set out the circumstances in which review mechanisms may be appropriate, and to provide a clear process and terms of engagement regarding how and when viability will be reviewed over the lifetime of the development. RICS 'Assessing viability in planning under the National Planning Policy Framework 2019 for England' PS. Where a review takes place, the date of valuation needs to be clearly set out in the s.106 agreement.¹⁸

Given the relationship between return and risk we would be concerned that all additional development returns above the level in the initial viability assessment would be seen as legitimate for clawing back. We have also had reported circumstances where developers have accepted below market returns at the application stage only to find late-stage reviewers seeking to cap the return at this level, seeking to impose planning obligations through suppressing market returns. Such practices and the assumption of automatic late-stage reviews by local planning authorities will not bring development forward at the scale required to meet government's ambitious targets. Additionally, it will impact on SMEs disproportionately.

We would encourage the UK government to conduct further research into the impact of late-stage reviews on housing delivery – particularly their use in smaller schemes – and we would be willing to support this with our own expertise and through case-studies.

For example, we set out our views on viability reviews in planning agreements in the Professional Statement: [Assessing viability in planning under the National Planning Policy Framework 2019.pdf \(rics.org\)](#) (see section 3.11)

Question 42: Do you have a view on how golden rules might apply to non-residential development, including commercial development, travellers' sites and types of development already considered 'not inappropriate' in the Green Belt?

We recognise that the primary purpose of the relaxation of the greenbelt policy is to get more housing built quickly. Housing-led sustainable development will require provision

¹⁸ [Assessing viability in planning under the National Planning Policy Framework 2019.pdf \(rics.org\)](#)

of land for other uses to support the creation of balanced communities. The policy should not preclude the permitting of commercial land uses in specific locations where appropriate.

Question 43: Do you have a view on whether the golden rules should apply only to 'new' Green Belt release, which occurs following these changes to the NPPF? Are there other transitional arrangements we should consider, including, for example, draft plans at the regulation 19 stage?

Given the plan making viability evidence shared for North Somerset it seems likely that many areas will be unable to support the goal of 50% AH, but more regular delivery at 40% would be a significant improvement on the existing situation¹⁹.

However, each site will be different. The max AH should be sought and 50% will be achievable in higher value areas with high housing demand including AH.

The transition needs careful consideration because much land at an advanced stage of preparation for application could be swiftly unlocked for delivery of housing if a fair balance is made on distribution of land value uplift capture. This is particularly the case where evidence can be provided of land promotion and investment over 5-10 years and option agreements in place. The NPPF has, since 2010, encouraged front loaded plan making for future needs. Where developers/promoters/landowners have been following the NPPF process promoting land (including Grey Belt / Green Belt / brownfield allocated employment), investing monies at risk, undertaking Environmental Impact Assessment (EIA) screening and scoping requests, consulting with parties such as Natural England, LPAs, and undertaking feasibility surveys etc., in response to those scoping opinions. Then such NPPF and local plan policy compliant process work should be recognised. These are the sites needed to 'boost' 5-year supply.

We do not support a rigid 50% for the reasons articulated in response to the consultation and supported by the case study evidence.

If a decision were made to proceed with 50% then land allocated, or long-term land correctly and demonstrably promoted within the forward plan system over 3 or more years should be excepted from the policy and the extant or Reg 18/19 plan % AH should apply. If that were not the case, we suggest a significant reduction in land supply would likely occur.

¹⁹ A member is aware of an urban extension (c 1,500 units) in one of the former districts of the new Somerset unitary where one developer is providing site access, a primary school land and 0% AH and the other is demonstrating viability issues at 10% AH.

Question 44: Do you have any comments on the proposed wording for the NPPF (Annex 4)?

If the proposal is the insertion of a single figure in '[XXXX]', that would be too simplistic and unhelpful with likely significantly negative consequences in land transaction volumes and housing supply, just as a 'boost' is sought.

It would also fail to recognise that many/most Grey Belt sites may be subject to contractual conditions which prevent them being sold at an artificially low land value in the short/medium term, if at all.

It is understandable that policy makers would seek a single metric as a way of reducing complexity. But whatever policy measures are introduced need to relate to the realities of the sector in a particular location to avoid unintended consequences. The risk with this proposed measure is in not addressing the complexity of the land market, and providing such limited flexibility during transition that land supply is adversely affected.

There still needs to be a business case to develop land and this is determined by market forces.

Existing Land Agreements

Moving forward with a new NPPF and perhaps since say 2021, everyone in the market will be clear on the reason and purpose of BLVs. To ensure AH is delivered.

Whilst it may appear as if there is lots of available land it will almost all already be under the control of option/promotion agreements, and much of it will have been under such agreements for up to 5-10 years ago (2014-2019). Those terms will likely be full market facing not BLV. As the agreements expire, they can be re-negotiated mindful of the BLV changes. In the near term and for the foreseeable future they will still influence land supply.

The risk is that in setting inappropriate BLV guidelines that ready land supply will be limited, worst case turned off completely just as a 'boost' is needed.

In setting a target 50% AH, then if land can deliver that and in all other regards be policy compliant, then it should be fast-tracked. But it will be essential to enable review of sites below 50% AH and to consider how AH is subsidised from areas where viability works to those where it does not.

The question of what is a fair price for land £/ha and BLV varies significantly within an authority area and across the country based on the difference in completed housing values, and site-specific development constraints. The circumstances are no different between land designated Green Belt at present and land provided with a Grey Belt/Green Belt designation and benefiting from the draft NPPF reforms.

If policy makers consider it necessary to address viability assessments in Grey Belt/Green Belt locations, we would advise against imposing a nationally prescriptive metric. We have suggested a proposed redraft of Annex 4 in our Appendix 2 at the rear of this document.

The text of the re-draft reflects the highly variable nature of land values in different locations around the country and ensures land is more likely to come forward where planning obligations recognise these local conditions and the need to maintain the business case for development. Our revised formulation of Annex 4 brings the proposals more in line with current policy which is capable of responding to local conditions. It therefore raises the question as to the need for Annex 4 at all.

Question 45: Do you have any comments on the proposed approach set out in paragraphs 31 and 32 (of the supporting consultation text, ahead of Q37 - BLV)?

Land Value

The land market is complex and highly variable. The guiding text accompanying the consultation at paras 31 & 32 implies that all GB land is currently of a similar value, however this is not always the case. There are a number of successful planning applications for development on GB land across England and land values inevitably vary as a result. BLVs are being used currently as part of Financial Viability Assessments (FVAs) for planning purposes, and the BLVs which are most successful reflect local market conditions. What is a “fair price” (as referred to in para. 31) for one site will not necessarily be fair for another. As such, if Government progresses with BLVs, we believe different BLVs should be available to reflect site differentials such as current use and regional variations in the market (this is loosely referred to in para 29a).

The use of BLVs should be confined to undertaking FVAs. The market or an individual purchaser may assign a higher land value than the BLV for a number of reasons, even in the full knowledge of the BLV, and we do not consider that a transaction price at above BLV should prevent use of an FVA where the applicant is content with BLV being used within the FVA.

In addition to the above, we refer you to our response at Q37 on the operation of the land market and the risk that the use of BLVs could counteract the intended 'housing boost' by adversely affecting land supply. Whilst we understand the principle that BLVs would be lower for greenbelt land due to assumption of reduced development potential there is the risk that such land would then fall into the "involuntary" bracket i.e. land not brought forward for development on a voluntary basis and require potential use of Compulsory Purchase powers (see comments on CPO powers below).

In terms of statutory compensation for Grey Belt land, this is based on market value ignoring the scheme and we support the proposal that compensation should reflect the 'golden rules' of release from NPPF as it would reflect any planning policy. However, any application of the Levelling Up and Regeneration Act (s.190 - direction to remove Hope Value) would require a specific application for a direction and conflicts with the proposed policy since a Grey Belt allocation in itself, implies that the site holds Hope Value in the absence of the scheme. We see no reason why Hope Value should not legitimately be taken into account, albeit having regard to the impact of the 'golden rules' on the type and extent of any future development.

The potential for use (or not) of BLVs to determine Market Value for compensation purposes is unclear in the consultation document. Reference to Part 2 of the Land Compensation Act 1961 implies that BLVs are not intended to be used to assess Market Value, and RICS would support this approach (given that land is not transacted on this basis in the "No-Scheme" world). A reliance on BLVs for market value would require changing the compensation rules for any CPO which included 'Grey Belt' land. However, there is a risk that Acquiring Authorities are unduly influenced by any prevailing BLVs. The law should therefore be explicit as to the use (or not) of BLVs in the assessment of compensation.

Compulsory Purchase

Reference is made to the use of Compulsory Purchase powers (to bring forward sites which are not being brought forward on a voluntary basis). We would question whether there will be significant cost savings for an Acquiring Authority when weighing up both the cost of acquiring the land, even if at BLV, and the cost of bringing forward a CPO. Local Authorities need to retain some discretion so that they can negotiate with landowners considering overall costs (as Government Guidance on use of CPOs currently enables them to do), and not be restricted to negotiating having regard to BLVs.

The use of compulsory purchase powers should only be used as a method of last resort, i.e. where private negotiations have failed and there is a clear objective which is in the

public interest. The relevant enabling powers legislation sets out what justification is required to make and implement a CPO and any AA will require a robust assessment process to evidence and justify this in the usual way.

CPO Public Inquiries demand a huge amount of time, resource and cost which currently isn't available within most local authorities. If Government expect local authorities to be proactive and use their powers (as suggested in para 31) they will need to be adequately funded and resourced to manage and run the processes, including engaging professional advisors to assist if required.

Question 46: Do you have any other suggestions relating to the proposals in this chapter?

Keep changes limited and simple. Being clear within the NPPF and an attached policy note how Grey Belt/Green Belt is to be reviewed for housing release during a replacement plan process is essential.

Standardise the assessment, scoring, and presentation of Grey Belt/Green Belt and Sustainability Appraisals using a nationally set template.

All available land should be reviewed during each replacement plan's creation. Each parcel should be tested and scored against a fixed set of criteria. This currently happens but at inconsistent quality and complexity.

At plan making stage once housing, employment, education, community facility 'need' is determined using the standard method (and other metrics), then all available land should be assessed. Whilst Local Authorities and the consultants that support them use similar assessment criteria and produce a series of written documents, tabular score sheets, spreadsheets etc., it takes professionals time to 'dial into' the system used, and members of the public must find it confusing.

If a simple standardised format was adopted then it would be simpler and more consistent for anyone interested in the examination to establish why site A has been selected over site B in terms of sustainability, and Grey Belt/Green Belt release.

We note that PINS and MHCLG are increasing resourcing to support LA's produce quality plans for examination. This would be a very helpful efficiency improvement.

In addition, a set of national baseline codes on most issues such as flooding, sequential testing, space standards, carbon zero etc., would shorten the necessary length of each

and every local plan as such plans could focus on spatial strategy, allocation of land for all necessary uses, green belt release. This is what planners should focus time on at a local level. Smaller sections on local vernacular, above baseline climate targets etc would allow 'local' conditions and politics to be considered and drawn into the final plan.

Drawing in and highlighting the community benefits from this approach (CIL, s106, BNG, public access, other benefits) alongside its delivery of AH will be beneficial to retain public support but our evidence indicates that 50% AH will not be possible in low value areas, Requirements reflecting local conditions will be more deliverable.

Chapter 6 – Delivering affordable well-designed homes and places

Delivering affordable housing

Question 47: Do you agree with setting the expectation that local planning authorities should consider the particular needs of those who require Social Rent when undertaking needs assessments and setting policies on affordable housing requirements?

This is a matter of public policy for the local authority. Clearly, a LPA does need to consider the needs of its area and have the flexibility to alter the mix of tenures to reflect need (including income levels). But there are implications. The higher Social Rent provision is likely to result in an overall lower level of affordable housing delivery.

It is important to note that in some parts of England there is very little appetite from Housing Associations to take Social Rent or Affordable Rent that is capped at the LHA cap.

The difference between Social Rent and Affordable Rent has a direct impact on viability. Based on recent plan-wide viability assessments carried out by our members the maximum affordable housing target will be between 5% and 10% lower where the affordable housing to rent is Social Rent rather than Affordable Rent.

Those requiring subsidised housing are a significant proportion of housing need which will not be provided by the private market. This reality needs addressing to understand where the resources and building capacity to meet this non-market need are to come from.

Question 48: Do you agree with removing the requirement to deliver 10% of housing on major sites as affordable home ownership?

The affordable housing mix should be informed by need as identified through the SHMA.

Question 49: Do you agree with removing the minimum 25% First Homes requirement?

The affordable housing mix should be informed by need as identified through the SHMA.

Question 50: Do you have any other comments on retaining the option to deliver First Homes, including through exception sites?

First Homes, with the cap at or around £250,000 outside of London, can and do work. They are priced at a point relative to first time buyer incomes and allow for a very specific and important part of the market to be provided for. Some LPAs seek to discourage their development, as their perception is that they are not affordable and do not assist in delivering for the housing waiting list.

Some LAs are reducing the national cap to a level that in some locations is not only below 70% of market value but below the build and land cost which has made it impossible for First Homes to come forward. Exception sites can deliver these important additions and in a recent appeal case an Inspector found in favour of allowing a proportion to be market value dwellings to enable the scheme to come forward and be delivered.

Exception sites have contributed to housing for local people in areas where there is strong demand for the existing housing stock from second, holiday and retirement home buyers and should be encouraged to come forward.

Question 51: Do you agree with introducing a policy to promote developments that have a mix of tenures and types?

Policy should encourage a mix of tenure, but not fix the proportions. Developments offering a range often do so to enable affordable housing and not remove it. Some LPAs seek to impose their local policy that is often out of date and without regard to current need. Registered Provider input is also needed, as at present, some do not find it possible to acquire some of the affordable tenures.

There is often a correlation between the housing mix and density, and a direct impact on site viability. High density flatted schemes are likely to be predominantly 2 and 3 bed units, estate housing is more likely to include more larger family housing. The mix must

remain commercially attractive to developers, and not be perceived to add to the sales risks by building units that are unlikely to be attractive to buyers.

Question 52: What would be the most appropriate way to promote high percentage Social Rent/affordable housing developments?

In the assessment of some 100% AH schemes it is important to understand that in certain circumstances it will still not be viable to deliver affordable housing and meet all other contributions. Some LPAs argue that such schemes can afford more, as they are regarded as more profitable. The evidence is different. The key to this is allowing consideration of those scheme viability assessments to show how such a scheme could come forward. Many RPs report paying market value as though the site was to come forward as a market led scheme. s.106 and CIL free zones for such schemes would encourage more.

LPAs can set the level of social rent – thus if a low SR is set then the capital value of that home will be consequently lower. A formula-based approach to setting social rents should be considered although we recognise the sensitivities in doing this. In addition, the Affordable Homes Programme and other central Government funding (as stated in the related written ministerial statement) could then be directed fairly at the social rented product. Making the current programmes go further is a key imperative. There is anecdotal evidence that the current affordable homes programme has enabled RPs to outbid the market for sites to bring forward schemes which are majority shared ownership. (see Guinness Trust Points Cross Leeds).

Many key workers struggle to find affordable accommodation particularly in the health and social care services. Broadening the definition of affordable housing to include such key workers could make a material contribution to accelerating delivery.

Ultimately this is a matter of external funding and the terms on which it is distributed.

Question 53: What safeguards would be required to ensure that there are not unintended consequences? For example, is there a maximum site size where development of this nature is appropriate?

The housing mix should be informed by need as identified through the SHMA. There is a need for all types of affordable and market housing.

There is growing concern that many registered providers have withdrawn from the market for affordable housing schemes as part of S106 agreements. There is a risk that

sites will remain vacant without take-up from the affordable housing sector. Local Planning Authorities should include cascade clauses in these agreements to ensure sites are not stalled due to lack of Housing Association demand for S106 affordable houses.

Question 54: What measures should we consider to better support and increase rural affordable housing?

See responses to the questions above – relaxation in rules for redeveloping PDL, barns, horticultural nursery land enabling not just redundant buildings conversion but also replacement. This could increase opportunities (volume) and generate smaller units (housing/employment) to benefit a wider range of the community

Smaller ‘exception sites’ and First Homes could help to free up part of the market. There is also the potential of expanding Community Land Trusts in certain areas.

In addition, replacing Class Q Permitted Development Rights for up to 5 cottages per holding (subject to design guide). These would be perpetually available only for occupation by Agricultural, Forestry or other rural workers or local residents selected by the owner who are on the housing register locally and who may be granted Assured Shorthold Tenancies with no fault evictions.

Question 55: Do you agree with the changes proposed to paragraph 63 of the existing NP

The needs of looked after children including warden supervised housing should be considered as part of Local Authority Housing responsibilities.

Delivering a diverse range of homes and high-quality places (community led housing and well-designed places)

Question 56: Do you agree with these changes?

(Relates to strengthening community led housing)

Regulations should be provided concerning the objectives of any Community Groups and their policy on allocation of housing. The size should be at the discretion of the Local Planning Authority.

Question 57: Do you have views on whether the definition of 'affordable housing for rent' in the Framework glossary should be amended? If so, what changes would you recommend?

The existing definition appears to be effective.

Question 58: Do you have views on why insufficient small sites are being allocated, and on ways in which the small site policy in the NPPF should be strengthened?

Small sites are scarce and command high premiums, often being sold directly to potential purchaser who can outbid a small builder who needs a profit margin. A solution could be to create a market through specifically allocating land for this purpose. A local plan could allocate larger sites for small scale registered builders to bid for and share the build out. This could operate similar to the existing duty on local authorities to maintain a custom build list.

The allocation of housing targets is limited to key settlements in some Local Plans and allowing allocation of a small number of houses in all settlements as part of housing targets will increase the sites available for small and medium sized developers and will also facilitate improved services to make such settlements sustainable.

Question 59: Do you agree with the proposals to retain references to well-designed buildings and places, but remove references to 'beauty' and 'beautiful' and to amend paragraph 138 of the existing Framework?

Yes.

Question 60: Do you agree with proposed changes to policy for upwards extensions?

The policy of upward extension is supported.

Question 61: Do you have any other suggestions relating to the proposals in this chapter?

No further comment.

Chapter 7 – Building infrastructure to grow the economy

Changes to NPPF to support a modern economy

Question 62: Do you agree with the changes proposed to paragraphs 86 b) and 87 of the existing NPPF?

Yes. They reinforce the economic assessment of need and housing referred to in the answers given herein.

A small number of planning authorities will be required to provide land for what are relatively uncommon and highly concentrated developments. The NPPF will need to define a sequential process by which an LA is identified as needing to allocate land, particularly as the land could be allocated to other uses though most LAs should not need to allocate land for these purposes.

Question 63: Are there other sectors you think need particular support via these changes? What are they and why?

The National Grid is currently operating at its limit, with inadequate storage capacity to absorb the intermittent generation from renewable sources and inadequate capacity to transfer electricity from where it is generated to where it is needed. Large scale solar location should be determined via the National Grid, connection capacity and demand, balancing any loss of agricultural land. A strategic national infrastructure plan would be beneficial rather than piecemeal token LPA requirements for residential wind turbines.

Many of the proposed new sectors for expansion are high electricity users. Some like life sciences also rely on a network of ancillary facilities which need to be covered by terms defining the main function.

Many rural areas are still not adequately serviced with broadband via dug fibre or 5G. In addition, there are concerns around growing the rural economy, improving food security etc.

Data centres, gigafactories and laboratories directed into the NSIPs regime

Question 64: Would you support the prescription of data centres, gigafactories, and/or laboratories as types of business and commercial development which could be capable (on request) of being directed into the NSIP consenting regime?

The NSIP regime is a tried and tested method of efficiently processing complex and at times controversial projects. PINS are in the process of refining and streamlining processes to shorten the NSIP timeline. If this is completed and the systems resources are adequately funded, then the Planning Act 2008 provides an excellent opportunity.

There will however be an additional resource requirement. PINS train and employ fixed term contract examiners that could be swiftly expanded if funded and managed well.

Question 65: If the direction power is extended to these developments, should it be limited by scale, and what would be an appropriate scale if so?

It should be based on assessment of current need with provision for foreseeable expansion.

Question 66: Do you have any other suggestions relating to the proposals in this chapter?

A consideration could be made to require a certain number of AHs, where a developer wishes to place a data centre. Data centres are key infrastructure but energy intensive, so to ensure a balance of profit for developers and gain for local communities, a fair balance should be struck around AH delivery, subject to viability.

Chapter 8 – Delivering community needs

Public infrastructure

Question 67: Do you agree with the changes proposed to paragraph 100 of the existing NPPF?

Yes, to ensure faster delivery of other public service infrastructure such as further education colleges, hospitals and criminal justice accommodation, local planning authorities should also work proactively and positively with promoters, delivery partners and statutory bodies to plan for required facilities and resolve key planning issues before applications are submitted. Significant weight should be placed on the importance of new, expanded or upgraded public service infrastructure when considering proposals for development.

RICS support the amendment and drafting change as allocating land in appropriate sustainable locations at plan making stage is critical to sustainable development.

Members report frustration that land for such important public service infrastructure is not always identified in local plans, or the location of such land is found to be in unsuitable locations. In other cases, the quantum of land is then too small to satisfy the requirement over the plan lifetime.

Good plan making requires land necessary for public service infrastructure to be considered and allocated at replacement plan making stage. We cannot be certain whether these failures are a result of local planning, or insufficient communication between central and local Government.

We recommend that the plan making section of the NPPF makes specific reference to the need for consultation, consideration and allocations of such land.

Question 68: Do you agree with the changes proposed to paragraph 99 of the existing NPPF?

Agreed. This should already be incorporated in plan making where development imposes such additional costs on the local area. It needs to be proportionate and should be spread over the appropriate catchment area for each sector. It should also be phased over time for proposed development and not fall on the next developer to meet the bulk of the costs. Such action would frustrate the market.

RICS supports the need to identify and allocate sufficient land at plan making stages in the optimal sustainable locations to meet the education needs of the community.

In urban areas, land is scarce and education land has to compete against residential and urban and values. Education land where Grey/Green Belt release is proposed should be afforded substantial planning weight.

Vision led approach to transport planning

Question 69: Do you agree with the changes proposed to paragraphs 114 and 115 of the existing NPPF?

Regarding Para 115 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 would be severe, in all tested scenarios.

RICS support the drafting and movement towards a more sustainable, active travel-based solution, as far and fast as is reasonably practical.

However, given the situation ultimately remains tacit acceptance that development must proceed unless the effects on the highway network are severe²⁰ we would caution overburdening the planning system.

Transport assessments like all other feasibility studies need to remain proportionate, or this is one of many areas that will delay applications and not deliver the housing and economic 'boost' that is sought.

The approach needs to achieve a balance to deliver based on proportionate measures without frustrating development that can achieve economic growth.

The Government should define Vision Led Approach. A definition of what is "severe" in existing paragraph 115 is urgently required. For example, a cumulative increase of 10% in volume of traffic or more?

This appears to be a prescriptive requirement. Given that vision-led transport planning is a relatively new field of practice, planning authorities may be challenged to resource this properly, opening themselves up to challenge during examination and after that the plan is not in accordance with NPPF. The wording applies to existing plans as well as new. Some form of transition will be needed a) for existing masterplans etc.

The 'all tested scenarios' addition potentially creates grounds for challenge similar to those faced in connection with alternative proposals under NSIP.

Promoting health communities

Question 70: How could national planning policy better support local authorities in (a) promoting healthy communities and (b) tackling childhood obesity?

A wider provision of a) access to advice and education and b) access to exercise and sport to achieve health and wellbeing. Many existing provisions are under resourced and neglected.

Design and implementation of active travel routes and exercise trails in sites released from GB would all be beneficial. They require wider scale regional as well as local plan strategies and such projects take time. Most plans heading towards examination contain active travel policies. In part this could be achieved through plans around the

²⁰ In recognition that we have a 'big' structural problem as many other countries – car-based system

development of 15-minute cities, balancing key infrastructure (schools, shops, GPs etc.) with the need for it to be walkable.

Although many such proposal will be longer term aspirations, any development supporting such delivery should be afforded significant planning weight, when allocating land. That could be reflected specifically in the NPPF, to support local implementation.

Health Impact Assessments (HIA) are often a requirement when master planning large sites. When undertaken at the outset (before the detailed design process gets going) an HIA can be a useful tool.

Question 71: Do you have any other suggestions relating to the proposals in this chapter?

The method of assessment for CIL might be a suitable basis on which to assess need and deliverability through viable development, balanced by ensuring the delivery of economic growth.

A definition of what is “severe” in existing paragraph 115 is urgently required. For example, a cumulative increase of 10% in volume of traffic or more?

Chapter 9 – Supporting green energy and the environment

Supporting onshore wind energy through the NSIPs regime

Question 72: Do you agree that large onshore wind projects should be reintegrated into the NSIP regime?

Yes, the NSIP regime has demonstrated its capabilities and success in dealing with the UKs offshore wind farm consenting and multiple linear onshore high voltage AC/DC underground and overground lines such as those serving Hinkley C. Provided they receive adequate additional resourcing then this makes sense and will be effective.

The balance between renewable energy generation and the impact on landscape and agricultural land should be determined through the NSIPS route intended to take the national interest into account in providing infrastructure and protecting resources.

Supporting renewable deployment

Question 73: Do you agree with the proposed changes to the NPPF to give greater support to renewable and low carbon energy?

Yes, there is a nationally declared climate emergency and renewable energy and a transition to a low carbon economy remains essential.

Whilst renewable energy objectives are welcome it is essential to ensure that any support provided is balanced and informed by a national infrastructure strategy, cascading down to regional and local areas. Without that there is a risk of unintended consequences.

One example is the proposed significant increase in ground based solar from 50MW (100ha approx.) to 150 MW (300ha). See Q76.

The language used in the NPPF must be focused and accurate. Currently, the term 'renewable and low carbon development' is very loosely defined in a section that is entitled overall 'Planning for Climate Change', not 'low carbon energy'. To avoid unintended consequences due to the broad definitions used, a better-defined bullet point list of renewable and low carbon development should be developed.

Question 74: Some habitats, such as those containing peat soils, might be considered unsuitable for renewable energy development due to their role in carbon sequestration. Should there be additional protections for such habitats and/or compensatory mechanisms put in place?

Unquestionably, human needs require balancing with the natural world and human construction activities such as that described must remain subject to proportionate consideration and control of any negative effects.

Some of our members have suggested that Grades 1, 2 & 3 of agricultural land should be protected to ensure that we maintain strategic food production. As part of this, most peatland will be located in National Parks and therefore protected from such development.

Setting the NSIP threshold for solar generating stations and onshore wind

Question 75: Do you agree that the threshold at which onshore wind projects are deemed to be Nationally Significant and therefore consented under the NSIP regime should be changed from 50 megawatts (MW) to 100MW?

There is a logic in the arguments for lifting the NSIP thresholds, but there is a concern that (a) although 300 planning officers are being recruited it is small relative to the need to deliver a housing boost. (b) NSIP Inspectors understand the process. These will be simple single examiner cases; they could specialise and fast-track cases.

Question 76: Do you agree that the threshold at which solar projects are deemed to be Nationally Significant and therefore consented under the NSIP regime should be changed from 50MW to 150MW?

The scale of solar at 150MW now requires approx. 300ha of land. At this scale it is a significant competing use of agricultural land in rural areas. It is suggested all consenting from 50MW (100 ha) remains with PINS. In this way one body draws together the data and balances food production, housing, employment, ecology, public open space, BNG, etc. All these competing uses for land need with balancing with land use for RE generation at national scale.

Question 77: If you think that alternative thresholds should apply to onshore wind and/or solar, what would these be?

Retain 50MW solar and 100MW onshore wind provided LPAs adequately resourced. There is a need to oversee and manage competing use of land for 50MW+ national solar farms due to the scale of land take.

Tackling climate change

Question 78: In what specific, deliverable ways could national planning policy do more to address climate change mitigation and adaptation?

It is critical that the challenges of getting to net zero are being addressed at the optimum scale. There needs to be better interplay between planning controls, building regulations, energy production measures and management of water resources and waste. It is important that evolving technologies in all these areas are understood and their implications for planning and development policy quickly integrated into plan making and development management.

There is clearly a huge investment required in many of these sectors and a national strategy that feeds into regional then local plans is essential. This has been missing since

Regional Spatial Strategies (RSS) were abandoned in 2010²¹ and this gap needs to be urgently filled to tackle these serious issues.

Several members within RICS and fellow planning organisations were disappointed to see the demise of the RSSs.

Question 79: What is your view of the current state of technological readiness and availability of tools for accurate carbon accounting in plan-making and planning decisions, and what are the challenges to increasing its use?

RICS have published a de facto guide on carbon accounting [here](#). Industry is preparing and moving in the right direction. Carbon matters related to the built environment are better dealt with through building regulations, as historically has been the case. This enables QA via site inspection. As stated in response to Q78 there are many inter-operating regulatory systems which need to be streamlined as technologies in different sectors advance at different paces.

It is preferable that regulatory and compliance requirements in many of these sectors are set centrally rather than have each local authority devising its own requirements.

There needs to be a consistent planning and regulatory framework for embodied carbon in development before further steps are introduced into the planning system – e.g. regulated embodied carbon thresholds in new build construction. This could be used as a prompt for the net zero carbon building standard.

RICS's Whole Life Carbon Accounting approach contributes important capacity building in the built environment. There also needs to be more reliable accounting for greenhouse gases in the natural environment, particularly relating to agriculture.

Examples of embodied carbon calculation in the planning sector can be seen in Scotland: [Planning and climate change guidance: research report issue 3 - gov.scot \(www.gov.scot\)](http://www.gov.scot/resources/documents/2017/06/Planning_and_climate_change_guidance_research_report_issue_3.pdf), which heavily cites RICS WLCA Standard.

Question 80: Are any changes needed to policy for managing flood risk to improve its effectiveness?

Ensure no exceptions to building in FZ2 and FZ3. We should also start planning for relocating some land uses and not facilitating by exception the re-purposing of

²¹ Abandonment of Regional Spatial Strategies 6 July 2010

commercial land (a low sensitive receptor) to residential land (higher sensitivity receptor) within FZ2 or worst FZ3.

Past mistakes and flexibility in land use because of a prior use should be dealt with now. That will mean working out how such sites can be cleared, remediated, returned to functional flood plain and the landowner reasonably compensated by relocating that land use value to nearby greenfield FZ2, and sharing the land value uplift on those green fields.

It is recommended that flooding should be addressed on an individual location basis.

RICS look forward to working with MHCLG and the Environment Agency to establish workable practical solutions in these important areas.

Question 81: Do you have any other comments on actions that can be taken through planning to address climate change?

No further comment.

Availability of agricultural land for food production

Question 82: Do you agree with removal of this text from the footnote?

No. Food security is a critical consideration; the planning system is intended to balance competing uses of scarce land resources. We should seek to protect the best and most versatile agricultural food production land. At smaller scale say <10ha this may not have a significant impact. But in allocating land for New Towns, New settlements, 100-300 ha solar farms the potential effects on productive agricultural land are significant and should be considered and balanced.

Recent disruption to food supplies underlines the essential need to maintain strategic food security in this country as a priority. Given the strengthening of support for renewables including PV using general language, explicit protections to high quality agricultural land should be retained.

Question 83: Are there other ways in which we can ensure that development supports and does not compromise food production?

Reasonable compensatory measures could be applied on very large scale solar to improve other land for production as well as the field margins under BNG

Overall, protecting the best and most versatile agricultural land is the best way of protecting strategic food security.

National Landscapes

This is the new name for protected landscapes and the NPPF has been revised to reflect this.

Supporting water resilience

Question 84: Do you agree that we should improve the current water infrastructure provisions in the Planning Act 2008, and do you have specific suggestions for how best to do this?

Yes, we need to plan for more water storage and linear pipework projects to replace, then interconnect, regional water resources. Water can then be flexibly stored, and piped to where it is required.

The return of spatial planning at wider geographical scale as intended by the Government/MHCLG will help address this matter. RICS stand ready to engage further in the discussions to come.

Question 85: Are there other areas of the water infrastructure provisions that could be improved? If so, can you explain what those are, including your proposed changes?

Interconnection of regional resources as stated above. More fundamentally and this is not susceptible to a planning policy solution, but ensuring the pipe network is not losing a large proportion of its capacity through leakage. The London water network loses a significant percentage of its water capacity through leakage. In addition to considering planning policy measures we must look outside of planning policy measures for some more direct and effective solutions.

Question 86: Do you have any other suggestions relating to the proposals in this chapter?

No further comment.

Chapter 10 – Changes to local plan intervention criteria

Question 87: Do you agree that we should replace the existing intervention policy criteria with the revised criteria set out in this consultation?

We believe the intervention criteria to have withstood the test of time and have reservations about discretion being given to the Secretary of State who may exercise such discretion in an arbitrary and unregulated way.

Question 88: Alternatively, would you support us withdrawing the criteria and relying on the existing legal tests to underpin future use of intervention powers?

We believe the intervention criteria to have withstood the test of time.

Chapter 11 – Changes to planning application fees and cost recovery for local authorities related to NSIPs

Question 89: Do you agree with the proposal to increase householder application fees to meet cost recovery?

Overall, we are sympathetic to the idea of increasing planning fees, but in return there needs to be:

- a) modernisation and simplification of the LPAs process
- b) ringfenced funds for the local planning authority
- c) digitisation of their planning systems/proposals maps etc.,
- d) facility to reliably discuss an application with the relevant planner, and
- e) swifter decision making.

However, for SMEs and other smaller developers, these increases may be unnecessarily prohibitive, further discouraging them from entering the market. In addition, some of our members working in the heritage sector, note that an increase, especially on the scale proposed, could lead to unintended consequences in the form of fewer/less heritage-sympathetic applications, less use of expertise, and/or more work happening without consent.

Question 90: If no, do you support increasing the fee by a smaller amount (at a level less than full cost recovery) and if so, what should the fee increase be? For example, a 50% increase to the householder fee would increase the application fee from £258 to £387.

If Yes, please explain in the text box what you consider an appropriate fee increase would be.

Although a 50% increase is a significant uplift, our view is that some applicants would be prepared to pay this if they could be assured, they would receive a satisfactory service. As such, the increased funds obtained would have to be ringfenced for use by the LPA. Without an improvement in service, we would oppose any increase in fees.

Question 91: If we proceed to increase householder fees to meet cost recovery, we have estimated that to meet cost-recovery, the householder application fee should be increased to £528. Do you agree with this estimate?

We are aware of great variability in the performance of some planning authorities and the services received by applicants. We advocate identifying high performing local authorities to benchmark the costs against the service provided.

No – it should be higher than £528
No – it should be lower than £528
no - there should be no fee increase
Don't know

If No, please explain in the text box below and provide evidence to demonstrate what you consider the correct fee should be.

Question 92: Are there any applications for which the current fee is inadequate? Please explain your reasons and provide evidence on what you consider the correct fee should be.

No further comment.

Fees for applications where there is currently no charge

Question 93: Are there any application types for which fees are not currently charged but which should require a fee? Please explain your reasons and provide evidence on what you consider the correct fee should be.

No further comment.

Question 94: Do you consider that each local planning authority should be able to set its own (non-profit making) planning application fee? Please give your reasons in the text box below.

In the interests of equity, we believe that planning fees should be nationally determined. See also our response to Q95.

Localisation of fees – two models proposed

Question 95: What would be your preferred model for localisation of planning fees?

Full Localisation – Placing a mandatory duty on all local planning authorities to set their own fee.

Local Variation – Maintain a nationally-set default fee and giving local planning authorities the option to set all or some fees locally.

Neither

Don't Know

Please give your reasons in the text box below.

The standard fee system works well, makes it easier for professionals working across multiple areas and makes the operational use of the planning portal simple. A nationally set fee provides consistency and certainty.

Increasing fees to fund wider planning services

Question 96: Do you consider that planning fees should be increased, beyond cost recovery, for planning applications services, to fund wider planning services?

If yes, please explain what you consider an appropriate increase would be and whether this should apply to all applications or, for example, just applications for major development?

In principle no. LPAs should manage their budgets. Strategic plan making is one of the most important matters a LA has to deal with. It is expensive but it is a once every 10-15 years job, for community benefit and should be budgeted for, as it is a core LA activity.

Question 97: What wider planning services, if any, other than planning applications (development management) services, do you consider could be paid for by planning fees?

LPAs tend to be prepared to fund development management but are less willing to fund plan making. It is likely that landowners wishing to have their land allocated for development may be prepared to pay a fee at the commencement of the plan making

stage. But it does assume that such a process progresses in line with government's objective to speed up allocations and achieve a step change in the delivery of housing over the next 5-year period.

Such a measure would begin to move away from the funding of essential services through general taxation. It would be helpful to know whether it is policy makers' intention to evolve the planning regulatory system into a quasi-taxation system. This would undermine the achievement of government's economic growth aims.

Cost recovery for local authorities related to NSIP

Question 98: Do you consider that cost recovery for relevant services provided by local authorities in relation to applications for development consent orders under the Planning Act 2008, payable by applicants, should be introduced?

There is national benefit for NSIP project but there may be limited local benefit to achieve that. Therefore yes, the reasonable resource input to an NSIP project from all statutory stakeholders including LAs should be covered by the applicants and project fund. In return there needs to be timely quality delivery.

Question 99: If yes, please explain any particular issues that the Government may want to consider, in particular which local planning authorities should be able to recover costs and the relevant services which they should be able to recover costs for, and whether host authorities should be able to waive fees where planning performance agreements are made.

Yes, LPAs should be able to waive a planning application fee if that has already been paid for under a PPA.

Planning Performance Agreements (PPA) have become far more common over the last 5-10 years on larger schemes. Often essential in order to pay for the resource required to deliver a planning service to the fee-paying applicant.

If that funding pays for a flexible contracted (outsourced) resource representing the LPA that can be beneficial.

If it simply provides additional fee to an under resourced planning department then that helps no one in the long term, it is a 'sticking plaster'.

Question 100: What limitations, if any, should be set in regulations or through guidance in relation to local authorities' ability to recover costs?

Costs should be determined nationally by Government.

Question 101: Please provide any further information on the impacts of full or partial cost recovery are likely to be for local planning authorities and applicants. We would particularly welcome evidence of the costs associated with work undertaken by local authorities in relation to applications for development consent.

No further comment.

Question 102: Do you have any other suggestions relating to the proposals in this chapter?

Track Change para 153 - Proposals affecting the Green Belt

d) the re-use of buildings provided that the buildings are of permanent and substantial construction;

The NPPF allows the re-use of permanent substantial buildings. The GPDO also allows a simple portal frame steel barn more than 10-year-old to be turned into a large single-family house. This para remains too prescriptive given the proposed changes to Grey Belt/Green Belt.

In rural locations with PDL you can have substantial buildings no longer in use but impractical to convert to other uses, yet they may be in a sustainable location. Exercising greater flexibility to review demolition and replacement of such buildings to create smaller units including AH could contribute to sustainable re-use and provide small development opportunities for local SMEs. Where a robust business case is provided and the location is deemed sustainable, there is scope to provide some flexibility so that the GIFA can be replaced with something new.

As set out earlier horticultural businesses could be included and this would open up housing, business starter unit opportunities in rural areas and repurpose abandoned land that falls between use groups.

Chapter 12 – The future of planning policy and plan making

Question 103: Do you agree with the proposed transitional arrangements? Are there any alternatives you think we should consider?

No further comment.

Question 104: Do you agree with the proposed transitional arrangements?

Yes, RICS support the application of the transitional arrangements. The Dec 2023 NPPF changes had the frustrating effect of pausing and altering the trajectory of a number of advanced plans. The use of the '200 dpa' threshold as proposed for plans at each stage of the making is proportionate and fair.

It is important that the new policy isn't capable of being misused by LPAs to either (a) rush through a local plan with the old lower numbers, and then not review for some time; or (b) abandon a well-advanced plan and then engage in a protracted process before eventually adopting a new one with higher numbers many years later.

We are also concerned that the final date for the production of new plans defers their contribution to delivering 1.5 million houses within five years.

The Governments election manifesto was clear on the housing crisis and need for a step change in housing supply and bold action. We know that there is a good supply of suitable sites to quickly meet that step change and the draft NPPF proposals and policy guidance will assist in unlocking the necessary land in a fair, transparent manner, to generate optimal patterns of sustainable development.

The provision of additional funding to support LAs in this task is welcome as we appreciate the hard work officers face.

Future changes to NPPF

Question 105: Do you have any other suggestions relating to the proposals in this chapter?

The overall approach should meet Nolan Principles and delivery of service with integrity.

In addition, while RICS understands chapter 17 of the NPPF dealing with minerals, "Facilitating the sustainable use of minerals" is unchanged, it is important for

Government and local developers to recognise that without the ongoing supply of minerals from the UK, the construction, housing and infrastructure sectors will be unable to deliver the programme the government wants them to.

- RICS believes that the current NPPF review must include the following:
 - Recognition of the importance of the mineral supply chain to the housing, infrastructure and energy sectors and a realisation that the planning system must be robust and effective in delivering new planning permissions and reserves of all mineral types.
 - Maintenance and strengthening of the Managed Aggregate Supply System, and continued funding for annual mineral surveys to inform Government and key stakeholders of aggregate need.
 - Plan for a future NPPF consultation that includes the Chapter 17 “Facilitating the sustainable use of minerals” to ensure its continued effectiveness considering its importance in delivering the targets included elsewhere in the report, including amongst other matters:
 - Incorporation of the re-emerging metalliferous and new critical mineral sectors in the NPPF.
 - Ensuring sufficient minerals planning professions are available to process planning applications.
 - The consultation also correctly acknowledges that following significant increases in the planning fees of major applications recently, the shortfall in funding still being reported by LPA’s is not a result of these major applications. It’s important to recognise that mineral planning applications are not now contributing to the funding shortfall, and important that mineral planning application fees not be further increased.

In addition, several of our heritage-focused members outlined the need to make some improvements to heritage planning. For example, strengthening the NPPF heritage chapter’s information requirements for heritage applications (current paragraph 200), using wording long agreed by the heritage sector, to encourage greater use of heritage skills, reducing costs for applicants and for local authorities, and improving heritage outcomes.

Public sector equality duty

Question 106: Do you have any views on the impacts of the above proposals for you, or the group or business you represent and on anyone with a relevant protected characteristic? If so, please explain who, which groups, including those with protected characteristics, or which businesses may be impacted and how. Is there anything that could be done to mitigate any impact identified?

In our responses we have always referred to the general disadvantages associated with the lack of affordable housing. Where members of society have a protected characteristic, this disadvantage is likely to impact on them disproportionately. An important route to addressing this disadvantage is to ensure that government's aims are being met insofar as the policy measures in this consultation can help achieve them.

Appendix 1

See Q39 Case Study 4 - South West England

Referring to the [DSB suite of viability reports for NSC](#) emerging plan illustrates the issues. The table at Q38 is elaborated upon in the supporting text.

The BLV benchmarks are modelled by DSP using gross rather than net development area. The DSP modelling for the NSC plan struggled to support 38.5% AH and the gross to net areas used the following assumptions:

Scheme Size Appraised	Type	Site type	Density <i>(based on residential net developable area)</i>	Net Land Area (ha)	Gross Land Area (ha)	Build Period (Months) <i>(6-month lead-in)</i>
5	Houses	PDL/Greenfield	40	0.13	0.14	6
10	Houses	PDL/Greenfield	40	0.25	0.29	12
10	Flats	PDL	75	0.13	0.15	12
20	Houses	Greenfield	40	0.50	0.58	18
20	Mixed	PDL	40	0.50	0.58	18
30	Flats	PDL	75	0.40	0.46	18
30	Flats (Sheltered)	PDL	125	0.24	0.28	18
50	Mixed	PDL	50	1.00	1.15	18
50	Mixed	Greenfield	40	1.25	1.44	18
50	Flats	PDL	75	0.67	0.77	18
60	Flats (Extra Care)	PDL	125	0.48	0.55	18
100	Flats	PDL	100	1.00	1.30	24
100	Mixed	PDL	50	2.00	2.60	24
100	Mixed	Greenfield	40	2.50	3.25	24
300	Mixed	Greenfield	40	7.50	9.75	24**
500	Mixed Sensitivity Test <i>(incl. Primary School)</i>	Greenfield	40	12.50	20.00	30**

[Page 2 - here](#)

Are the proposed levels of 23% (GDA-NDA) surplus 100 homes and 12.6% surplus 50 homes sufficient to enable the other aspirations of planning policy BNG and golden rules improved public access to GB land released for development.

Don't those figures of undeveloped accessible land need to be higher 40-50% (GDA) and if so, how does that work.

The higher BLVs reflect smaller scale (*"The release of smaller greenfield sites including edge of village paddocks or similar may typically support / warrant consideration of higher BLVs and so we have considered, primarily, up to £500,000/ha being likely applicable for smaller, greenfield development below the 200-300 dwelling range"* para 2.14.14). GB release is likely to be necessary at the edge of existing urban settlements. When would this threshold cut in, <200 units?

These are just a few considerations that together with local values and construction costs will affect BLVs.

Alternative suggestion:

When land is put forward for allocation for development the promoter supplies a site specific RLV analysis as set out in the DSP viability appendices. For Reg18/19 stage plans promoters' developers could be requested to supply this data because if adopted as drafted many LAs will need to revisit their plans.

The following community benefits to be highlighted and costed in a site-specific viability:

- Total Units
- AH units
- % AH
- Policy compliant confirmation
- List local plan items of community benefit e.g. North Somerset's plan has 5% accessible homes
- Identify the CIL contribution
- Identify the s106 contribution
- In support of EU+ developer/promoter document and evidence how long a site has been promoted, offers received £/ha/£/plot, option contract key price terms, investment in feasibility and promotion.

The site-specific data could then be reviewed by the LAs viability consultant. That would provide independence. Those sites which can meet the highest AH and community benefits under the golden rules could move to the top of the list supporting allocation.

I suspect some members will object but transparency in this way would make the process swift and simple, and truly front load plan making.

On that basis decisions can be fairly made, and the benefits would be transparent.

Setting national 'one size fits all' has been proven not to work in the context of areas with divergent economic, social, health and other factors especially in areas of weak economic activity and thus values. RICS understands the desire to find a simple universally applicable metric avoiding the need for viability testing. We draw on our experience of producing two editions of professional guidance in this area. The experience with the evolving Infrastructure Levy which again laudably set out to create

a simplified approach to assessing ability to meet planning obligations but ultimately became increasingly complex should also be drawn on.

A comprehensive plan for economic growth linked with public/private investment and clawback/shared profit as each case shows better than estimated profitability. True partnership will create greater confidence to attract the private sector to co-invest and then take 100% risk as the regeneration of the area is achieved.

See Q 44 – Case Study 5

The report by DSP working for North Somerset Council (Aug 2023) in setting plan stage viability testing concluded that a desired flat rate of 40% policy aim was unworkable and the Reg 19 draft plan was consequently updated and states 20% for urban areas and PDL and 38.5% for greenfield sites and higher value areas.

So, in a reasonably affluent area it is greenfield land in the higher value areas necessary to achieve 38.5%. Much of North Somerset is constrained by GB so the requirement will now be 50%.

What is it like in the north east and north west?

The proposals made by DSP to NSC is set out below:

Figure 12: Range of BLVs ('Viability Tests')

EUV+ £/ha	Notes
£250,000	Greenfield Enhancement - reflecting larger scale development
£500,000	Greenfield Enhancement (Upper) - reflecting smaller scale development
£750,000	Lower PDL reflecting lower grade PDL (e.g. former community uses, yards, workshops, former industrial etc)
£1,000,000	Lower to typical PDL – industrial / commercial
£1,500,000	Typical PDL
£2,500,000	Upper PDL / residential land values

(DSP 2023)

But note that mindful of the difficulty in assessing values at the edge of settlements, the first two categories were also further broken down and described as follows:

“2.14.12 - As set out in the tabled results appendices, for results reviewing context consistent with an established approach, we have made indicative comparisons at land value levels across an overall range between £250,000/ha and £2,500,000/ha, enabling

us to view where the RLVs fall in relation to those levels and to the overall range between them.

2.14.13 Typically, we would expect to apply an EUV+ based land value benchmark (BLV) at not more than approximately £250,000/ha (applied to gross i.e. overall site area) for bulk greenfield (GF) land release sites of around 200 – 300 units or more (although not rigidly, as circumstances and land takes will vary). This is based on a circa ten times uplift factor (the “plus” element) from the EUV for agricultural land at not exceeding c. £25,000/ha.

2.14.14 The release of smaller greenfield sites including edge of village paddocks or similar may typically support / warrant consideration of higher BLVs and so we have considered, primarily, up to £500,000/ha being likely applicable for smaller, greenfield development below the 200-300 dwelling range indicatively, as above. The above is however a relatively cautious / prudent approach in our view at this plan making overview stage, as we have experienced proposals with BLVs presented or agreed at lower than the noted assumption levels here, when applied overall. This context includes both smaller and larger sites, which in some instances include significantly extended areas of non-developed land and it can be appropriate to apply a significantly lower level of BLV to a proportion of the overall site area, resulting in a lower ‘blended’ BLV overall.”
Source here, page 56

Note that this suite of viability reports has yet to be tested and challenged by industry or examined and DSP prepared the viability assessment for the withdrawn West of England Joint Spatial Plan. That was subject to significant challenge ahead of the examination, but the examination was halted ahead of its testing.

This is not to question all of DSP’s reporting and figures, but a statement made to illustrate that it becomes difficult to answer this question in a simple fashion, or to set a single BLV for greenfield/Grey Belt/Green Belt. That is simply not possible and carries great risk of cutting off the required housing land supply boost.

Carrot and stick is often a good balance to achieve desired change so during a transition period an incentive for potential re-negotiation of min market level option agreements, after a protracted period of NPPF change and delays, such as fast-tracking applications might be considered. Annex 4 point ‘3’ could therefore go further to address this and set a guaranteed timescale for consenting such land.

Appendix 2 - Proposed change to Annex 4

We have amended Annex 4 below, reflecting our concerns around introducing a single nationwide BLV.

Annex 4: Viability in relation to Green Belt release

- 1) To determine land value for a viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a reasonable and proportionate premium for the landowner. ~~For the purposes of plan-making and decision taking, it is considered that a benchmark land value of [xxxx] allows an appropriate premium for landowners.~~ Local planning authorities should set benchmark land values informed by this, and by local material considerations and market conditions.
- 2) When determining planning applications, if land released from Green Belt is transacted above the benchmark land value and cannot deliver policy-compliant development due to that, then planning permission should not be granted, subject to other material considerations.
- 3) Where policy compliant development can be delivered, viability assessment should not be undertaken, irrespective of the price at which land is transacted, and higher levels of affordable housing should not be sought or agreed on the grounds of viability.
- 4) Where land is transacted below the benchmark land value but still cannot deliver policy compliant development, it is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. Where a viability negotiation to reduce policy delivery has been undertaken, a late-stage review should be conducted to assess whether further contributions are required.

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