

Steve Quartermain,
Chief Planner,
MHCLG,
2 Marsham Street,
London, SW1.

23rd October 2019

Dear Steve,

Helping to meet the Government's housing target – the land promoters & developers' role.

I am writing to you as Planning Policy Director for the Land Promoters and Developers Federation ('LPDF'). As you are aware, the LPDF was established in April 2018, and represents the growing number of companies which assemble, promote and deliver land to the market to help fulfil the Government's ambition of building 300,000 new homes per year.

Their business model has evolved over the last 10 years or so, responding to the growing complexity and risk within the development process as a means to supply housebuilders with their essential raw material – deliverable housing sites – which can then be brought to market quickly and efficiently. Essentially, land promoters and developers do the 'heavy lifting' in getting planning, bringing sites to the market and thereby helping to 'oil the wheels' of the development process, boosting housing delivery, rather than adding a further unnecessary hurdle as some would believe. Promoters now deliver in excess of 50% of all outline planning consents of major sites.

The Federation is keen to build positive relationships with Government, Homes England, local authorities, business representatives and trade associations, with a view to clarifying our role whilst at the same time, raising standards and promoting best practice within our industry. Our Inaugural Conference on 11th September in London, attracted some 120 delegates, addressed by a range of high-quality speakers including Kevin Hollinrake MP, Victoria Hills CEO of RTPI and Nick Walkley CEO of Homes England.

Our Board meets roughly quarterly, pooling ideas and sharing concerns. At our last Board meeting, 10 days ago, there was a spontaneous and genuine feeling amongst all the members that the business climate had reached a critical low-point, whereby we seem to be witnessing the development of a 'perfect storm' in relation to the application of planning policy. The factors behind this were felt to be:

- a lack of commitment by many Planning Authorities to deliver, review, or to implement the commitments in Local Plans, e.g. Reigate & Banstead BC, South Oxfordshire DC and East Cambridgeshire DC (where the plan was withdrawn and then a decision taken not to review);
- an environment in which Planning Inspectors are encouraged towards a 'light touch' review of Local Plans submitted to the Secretary of State for Examination,
- a succession of sometimes unhelpful and often inconsistent Ministerial Statements and a reluctance to intervene when Councils fail to meet performance targets,
- a seemingly inconsistent appeals system with a declining 'success' rate, falling from 52% in 2013/14 to 38% in 2018/19 (and is now declining further), notwithstanding in the majority of instances a presumption in favour and the tilted balance being in operation;

- post NPPF, this has resulted in a sharp fall in dwellings granted through appeal from 34,416 in 2015/16 to 11,131 in 2018/19, below the level prior to the NPPF (2012). Whilst members of the LPDF do not seek for planning applications to be determined by way of Appeal, in a local political environment which has seen recent changes to many LPAs to 'No Overall Control' or 'Residents Association/Anti-Development agendas, the concerns felt by the development industry regarding the inconsistent application of planning policy are keenly felt.

All these pressures are stifling the confidence of the development industry and are beginning to undermine housing delivery. Annual planning permissions for housing, which had been steadily rising since the recession, have now fallen for the first time by 1% from 378,700 dwellings (at June 2018) to 375,200 (at June 2019), with residential consents falling by 5% over the same period.

More important, housing completions, which had been running well ahead of housing starts over previous years, have now fallen back so that in the year to June 2019, only 160,590 starts occurred, compared with 173,540 completions.

Our members are reporting that housebuilders are currently citing a shortage in consented land as a major impediment to their growth plans. This, coupled with the lower level of housing starts, is clearly an early warning signal to a further decline in completions.

In short, we are in danger of falling into a sharp decline of consented land which will stifle the Government's ability to build 300,000 dwellings and to solve the urgent housing crisis. The ability to achieve the ambitions expressed within the Housing White Paper - giving everyone a decent home at a price they can afford – is becoming ever more remote.

I wonder whether we could come and meet you at your offices in Marsham Street and begin to consider some of the steps which might need to be taken to restore some confidence to the industry? Although our concerns stretch much more widely than simply planning policy, perhaps this meeting could be framed against the background of the Government's proposed White Paper on Speeding Up the Planning System.

I look forward to hearing from you.

Yours sincerely

John Acres

Policy Director

LAND PROMOTERS & DEVELOPERS FEDERATION