

The Rt Hon Greg Clark MP
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Dear Mr Clark

Following previous correspondence with your predecessor, The Rt Hon Michael Gove MP, in late 2021, I would like to re-emphasise the concerns EHDC has regarding the standard method for calculating local housing need.

East Hampshire District Council fully support the Government's commitment to significantly boost the supply of homes to meet the growing needs of the population. EHDC are committed to meeting the varying needs of our residents with the right housing in terms of size, type and tenure as well as providing homes that are affordable and are suitable for different groups in the community. However, meeting these needs should not be at the expense of the natural and built environment, therefore, the amount of housing needed should be realistic.

The current methodology has major implications on rural areas such as East Hampshire, more so with the added complexities associated with the presence of the South Downs National Park (SDNP), which accounts for 57% of the district.

The National Planning Policy Framework (NPPF) is clear that the standard method in the national planning guidance (PPG) should be used to determine the minimum number of homes needed within an area – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. The PPG further acknowledges that the standard method is not mandatory but notes an alternative approach would be scrutinised more closely at examination. There is no further guidance that explains what warrants an exceptional circumstance, a matter that requires urgent clarification.

The PPG notes the flaws associated with the standard method where strategic policy making authority boundaries do not align with local authority boundaries, as is the case in East Hampshire with the presence of the South Downs National Park. It is acknowledged that the data required for the model does not disaggregate between the National Park and the wider area, and that an alternative approach will have to be used. There is no guidance on this alternative approach, other than a locally determined housing need figure which will need to consider the best available information on anticipated changes in households as well as local affordability ratios. There is limited disaggregated information available on these two data sets. It is fundamental that an alternative approach is clarified to assist those strategic policy making authorities preparing local plans.

The lack of guidance results in the standard method remaining the starting point for calculating local housing need. As it results, it adds pressure to local planning authorities who share boundaries with National Parks to find greenfield land to meet unrealistic housing targets. Important agricultural land and environmentally valuable land will inevitably be lost as the unmet needs associated with National Parks has to be accommodated in adjacent rural districts.

EHDC fully supports the Government's vision for National Parks established in the 2010 Circular and reiteration in the NPPF. Great weight should indeed be given to conserving and enhancing landscape and scenic beauty in National Parks. The conservation and enhancement of wildlife and cultural heritage are also important considerations in these areas, and it is agreed that the scale and extent of development within these designated areas should be limited. However, protecting and enhancing these areas should not be at the expense of those predominately rural areas in adjacent strategic policy making authorities.

By their very nature, house prices associated with National Parks are significantly higher than outside National Parks. Therefore, it has repercussions on the formula associated with the standard method for calculating local housing need. EHDC agree that an affordability adjustment should be applied as household growth on its own is insufficient as an indicator of future housing need. An affordability adjustment ensures local housing need responds to price signals and will go some way to address the affordability of homes. However, the high house prices in protected areas such as National Parks artificially increases housing numbers for those authorities adjacent as the NPPF requires strategic policy making authorities to meet any unmet needs of its neighbours. As mentioned, this means rural areas such as East Hampshire need to find more greenfield land to accommodate the unmet needs of the highly protected SDNP.

The underlying reasons that the standard method for assessing local housing need was introduced in 2018, was to offer clarity to local authorities and reduce the lengthy delays to local plan preparation as housing numbers were debated during Examination. It is commended that such approach was needed and has positively informed the majority of authorities when preparing their local plan. However, it remains a stumbling block for authorities such as East Hampshire whose area is dominated by the SDNP.

The NPPF is clear that the emphasis on seeking to meet full objectively assessed housing need, as set out in Paragraph 11 in the NPPF, does not apply in national parks where it can be shown that this conflicts with the statutory purpose of conserving and enhancing. Therefore, the standard method should not be the starting point for such places.

The Government's Planning White Paper (August 2020) went some way to explore the standard method and address some of the current flaw mentioned above in relation to local authority boundaries not aligning with strategic policy making authorities. The proposals involved a housing requirement that would factor in land constraints and opportunities to more effectively use land. This approach would allow authorities such as East Hampshire to plan for housing numbers that have already taken into account the constraints associated with the SDNP. This binding number would offer further clarity to such affected authorities and stop debate at examination which often dominates the process and slows down plan-making.

It is extremely important that the flaws associated with the standard method for calculating local housing need are remedied now. As it stands, areas like East Hampshire cannot plan

development properly due to the unrealistic numbers associated with the presence of the National Park. Further guidance is needed on how such strategic policy making authorities can determine their housing needs.

Whilst my officers will be discussing the situation with your 'Planning for Housing Need' team over the coming weeks, I urge you to address this as a matter of urgency to stop the unwarranted development of large swathes of greenfield land in rural districts such as East Hampshire. Areas like East Hampshire need more clarity on a way forward with regards to its emerging local plan. Without urgently addressing the standard method, EHDC will be at the mercy of speculative applications, lacking the necessary infrastructure to sustainably support our towns and villages, particularly in light of the growing impacts arising from climate change.

Yours sincerely



Cllr Richard Millard
Leader of East Hampshire District Council

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