

Housing, Communities and Local Government Committee

House of Commons, London SW1A 0AA

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Dominic Raab MP
Minister of State for Housing
Ministry of Housing, Communities and Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF

30 April 2018

Dear Dominic,

Draft revised National Planning Policy Framework

I am writing on behalf of the Housing, Communities and Local Government with regard to the Government's consultation into the draft revised National Planning Policy Framework. I want to reiterate the Committee's ongoing concerns around the methodology for the proposed standard assessment of housing need used in the draft NPPF.

The Ministry published the consultation paper on [Planning for the right homes in the right places](#) on 14 September 2017, alongside a [Housing need consultation data table](#). On [1 November 2017](#), the Committee questioned the then Housing Minister Alok Sharma MP on these consultation papers and expressed a range of concerns regarding the methodology inherent in the proposed standard assessment of housing need.

I should make it clear that the Committee supports the adoption of a standard methodology. Our 2014 report on the [Operation of the NPPF](#) stated that: *"We recommend that the Government work with local government and the house building industry to revise its guidance on strategic housing market assessments and produce an agreed methodology"* (Para 70).

However, in the case of this methodology, our concerns are:

- that the outcome of applying this methodology could be antipathetical to the Government's wider stated policies – including its Industrial Strategy – to balance economic opportunity between the wider South East and other parts of the country. Analysis undertaken by [Lichfields](#) showed that the proposed methodology would lead to a 24% per annum reduction in house building in the North when compared to the current assessments of housing need, and a 20% decrease in the North East;
- the possibility that the standard methodology together with revised household projection methods could lead to estimates of local requirements that are inconsistent with local understanding and capacity;
- the establishment of an overall need for only 266,000 homes per annum in England, which is below the 300,000 homes currently regarded as required;
- whether the proposed methodology could mean that those authorities that are building homes are asked to build more, but will struggle to achieve this in practice, and those that have not built in the past will not be challenged in future. This would likely lead to the Government missing its 266,000-home target;
- the possibility of further uncertainty and delay that these proposals could cause to the preparation of local plans; and
- the possibility that those local planning authorities with new lower needs will be challenged by the development industry and those seeking economic and other growth, while those

with new, higher figures will be challenged by local communities – with the possibility that it will be the MHCLG that will be subject of such challenges.

For all these reasons, the Committee is very concerned that, in the recent consultation on a draft revised NPPF, the standard methodology for assessing housing need remains as consulted on in [Planning for the right homes in the right places](#).

The Committee, therefore, urges you to take account of our concerns, and of the related concerns of a range of professional and other informed bodies, that the introduction of this methodology, together with revised household projections, could have a number of unintended consequences, including further slowing the adoption of local plans.

We would be grateful for a response to this letter in advance of the Whitsun recess on 24 May, to give sufficient time for us to consider whether we would like to pursue this matter further with you.

A handwritten signature in black ink, appearing to read 'Clive Betts', with a large, stylized initial 'C' at the start.

Clive Betts MP
Chair, Housing, Communities and Local Government Committee