

**By email only**

Planning Policy Consultation Team  
Ministry of Housing, Communities & Local Government  
Floor 3, Fry Building  
2 Marsham Street  
London  
SW1P 4DF

24 September 2024

Dear Sir/Madam

**RE: London Property Alliance response to Proposed reforms to the National Planning Policy Framework**

I am writing on behalf of London Property Alliance (“LPA”) to provide our response to the proposed reforms to the National Planning Policy Framework (NPPF) and other changes to the planning system consultation.

The LPA brings together the Westminster Property Association (WPA) and the City Property Association (CPA). It is a not-for-profit membership body and advocacy group representing the leading owners, investors, professional advisors and developers of real estate operating in central London, providing a unified voice for the sector. You can view our current membership lists [here](#) and [here](#).

I have summarised in this letter the key matters arising from the consultation to which we wish to respond. **Appendix 1** (page 4) provides detailed answers to the specific questions in the consultation document.

**Economic growth and office development**

Offices in our towns and cities are major drivers of economic growth, boosting productivity, facilitating innovation and supporting some of the UK’s most important growth industries. Indeed, the service sector accounts for 81% of total economic output (GVA) and 83% of employment<sup>1</sup>. These jobs are located within business administration, finance, retail and leisure, and encompass high growth sectors such as law<sup>2</sup> which is anticipated to grow by over £1bn alone. These largely knowledge-based jobs in our major towns and cities rely on high quality office and mixed-use commercial accommodation to operate.

London’s Central Activities Zone, which equates to roughly “travel zone 1”, generates 11% of the nation’s economic output. It provides a highly concentrated and economically productive environment of strategic importance to the whole country’s growth<sup>3</sup>. It relies on best-in-class office space to accommodate these high value jobs which play an outsized role in delivering social and economic prosperity in London and beyond due to the nature of the UK’s service-based economy.

Our own analysis shows the CAZ also has the capacity and potential **to increase its contribution to the UK economy** with a more flexible approach to planning. This ‘balanced’ approach to growth could deliver **407,000 jobs, 50,700 new homes and additional 55.7m sq ft** in commercial floorspace by 2045 – boosting the UK economy by **£101bn (GVA)**<sup>4</sup>.

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<sup>1</sup> House of Commons Library, September 2024 [key industries: key economic indicators](#)

<sup>2</sup> Lord Mayor: “Continued investment in technology is crucial to the future of the UK’s legal sector” ([City of London Corporation](#))

<sup>3</sup> Good Growth in Central London 2024 [V5\\_CLPA21\\_Good\\_Growth\\_London.pdf](#) ([londonpropertyalliance.com](#))

<sup>4</sup> Good Growth in Central London 2024 [V5\\_CLPA21\\_Good\\_Growth\\_London.pdf](#) ([londonpropertyalliance.com](#))

However central London has seen a **worrying 54% fall in major office planning applications** over the past decade<sup>5</sup>. To reverse this trend and ensure the Government is successful in boosting growth, planning reform must also extend to office development, alongside much needed homes, infrastructure, and other development appropriate to a modern economy. The desire to ensure development “meets the needs of a modern economy”<sup>6</sup> is welcome, as is recognition that this support includes sectors such as gigafactories and datacentres, but is not limited to them.

We propose that office space be specifically referred to in the adjusted wording at the new paragraph 84(b), given its importance to London and the nation’s economy, which is predominately a service economy, and its capacity to support high value, productive, knowledge-based jobs. This would secure the long-term sustainability of London, and the wider UK, as a destination of choice for global employers bringing highly skilled jobs.

Central London contains an exceptionally diverse range of land uses, many of which are of national and international importance and make London one of only a handful of truly ‘global’ cities. It is therefore vital that central London’s rich range of land uses continues to be not just accommodated, but encouraged to flourish to drive economic growth.

### **Housing and the Standard Method**

The LPA supports the creation of a standardised approach as a basis for assessing housing need. Within London, this should continue to sit alongside the London Plan’s role in establishing how that need can be accommodated, recognising the significant variations in capacity that exist between the London boroughs.

London’s potential to accommodate new development is not limitless and the London Plan’s critically important role in balancing the competing development demands of London, including for housing but also other uses, should remain.

Our experience shows that it is not achievable or desirable to deliver the housing numbers suggested for the central London boroughs by the new Standard Method without considering capacity. Doing so would prejudice the ability of the central London boroughs, working within a constrained context, to accommodate other types of development which are also required to deliver the Government’s wider economic growth agenda.

If these NPPF alterations are adopted as proposed, guidance should be provided in the short-to-medium term to inform how individual borough targets should be applied in advance of the current London Plan review and their implication for decision-making.

### **Brownfield first**

LPA strongly supports the principle of directing development toward, and intensifying the use of, previously developed brownfield land as the most sustainable way of accommodating the new homes, infrastructure and other development which is required to support economic growth. LPA strongly supports the presumption in favour of development on brownfield land proposed in the draft NPPF.

### **Brownfield first, carbon and redevelopment**

The emergence of local-level planning policies regarding embodied carbon emissions is requiring developers to consider the emissions associated with construction, as well as the operation of buildings. This is in step with the ambitions and aspirations of the commercial real estate industry, which is decarbonising at pace.

However, development on brownfield land often requires the optimisation and densification of current sites, as well as the demolition of parts, or all of, existing buildings which are no longer fit for purpose, in favour of those which are more sustainable and reach modern standards.

But where carbon targets are either set incorrectly, or the policy framework is uncertain, this can make securing planning permission for brownfield development significantly more challenging. This is despite these developments being consistent with the principle of directing development toward brownfield sites first.

<sup>5</sup> Good Growth in Central London 2024 [V5\\_CLPA21\\_Good\\_Growth\\_London.pdf \(londonpropertyalliance.com\)](#)

<sup>6</sup> Draft NPPF, Paragraph 84

It is important that emerging policies on this area do not conflict with the need to promote brownfield development and aligns with the Government's economic growth agenda, as well as net zero ambitions. Failing to do so risks the forgoing of this investment altogether, preventing the delivery of the sustainable development necessary to meet the needs of modern commercial occupiers and limit economic and productivity growth, particularly in city centre locations. We are therefore encouraged by the Government's newly published consultation on Brownfield Passporting and look forward to contributing further to this important policy area.

LPA's recently published research, *Retrofit First, not Retrofit Only: Future-proofing national policy so support sustainable development*, identifies the risk to future development and investment and sets out recommendations for national policy in this area.<sup>7</sup>

### **Application fees**

LPA has long advocated for the use of a localised framework for setting application fees, so that the fees paid are truly responsive to the wide variety of contexts found across the country. In central London, for instance, this is likely to mean allowing planning authorities to charge fees for listed building consent applications and adjusting the rates charged for amendment applications. LPA would support this where it would result in an improved and more responsive service for applicants.

### **Conclusion**

I trust that this is a helpful summary of our principal areas of interest. We are grateful for the opportunity to respond to this consultation and to continue to support changes to the planning system that would improve its ability to support central London's dynamism, productivity, rich mix of uses and capacity for sustained economic growth.

If it would be helpful to discuss any aspect of this further, please do not hesitate to contact me.

Yours faithfully,



Charles Begley  
Chief Executive  
**London Property Alliance**

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<sup>7</sup> <https://www.londonpropertyalliance.com/retrofit-first-not-retrofit-only-future-proofing-national-policy-to-support-sustainable-development/>

## APPENDIX 1

### LPA Responses to consultation questions

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

LPA supports the principle of generating a numerical housing target for each local planning authority and therefore supports the reintroduction of a standardised method for calculating housing need to the NPPF.

LPA's observation is that the figures generated for central London planning authorities are too high for the specific context of central London, which has an extremely high demand for a range of competing land uses, where the primary function must be the commercial and associated uses which define central London as the engine of a global city. This is recognised in the London Plan.

The proposed housing numbers, alongside the severe constraints of the central London context (for example the many heritage designations, which limit the expansion of floorspace which is possible), could act to 'squeeze out' other land uses which the city requires, in favour of residential development. This is critical because the mixed use development of London, including its commercial, cultural, and visitor functions, is a key driver of the sustained economic growth sought.

Once residential development is established within otherwise commercial areas, it can result in preventing types of commercial development that have a more direct contribution to economic growth. This is because applications for commercial development are then required to preserve residential amenity in line with planning policies, often precluding significant expansion of floorspace. This would limit the growth that could be achieved and which the consultation states is "the only route to improving the prosperity of our country and the living standards of working people".

As noted in our response to Question 12, the London Plan's strategic role in establishing how much of this need can be met, and locations for doing so, must remain. The London Plan 2021 adopted a similar approach, setting borough targets based on what was considered to be achievable rather than purely based on calculated housing need.

LPA supports the continuation of the Mayor of London's strategic planning role, including the contribution to the setting of an overall housing development target and distributing that housing development spatially amongst the boroughs. This is critical to ensure that the best balance between different types of development in particular contexts, especially central London, is achieved, so central London's economic growth potential is optimised.

#### **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?**

For the reasons set out in our answer to Question 1, LPA supports the proposed removal of the reference to the use of alternative approaches to assessing housing need.

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

LPA supports the reversal of the December 2023 changes to urban uplift in principle but remains conscious of the need to accommodate a range of uses in contexts such as London. As explained in response to Question 1, LPA is concerned that the imposition of the proposed housing numbers as currently suggested, alongside the severe constraints of the central London context (for example the many heritage designations, which limit the expansion of floorspace which is possible), could act to 'squeeze out' the commercial development driving

economic growth which the city requires, in favour of more valuable, residential development. This unintended consequence is likely to also apply to other large cities.

LPA therefore supports the continuation of the Mayor of London's strategic planning role including the contribution to the setting of an overall housing development target and distributing that housing development spatially amongst the boroughs.

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

LPA welcomes, and strongly supports, the reversal of the December 2023 changes made on character and density and the deletion of paragraph 130. We do not consider it appropriate or desirable for local design codes to be able to specify when development is considered to be "wholly out of character with the existing area." LPA expressed concerns on the introduction of this provision in our response to the 2022 consultation on the NPPF.

**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?**

LPA supports this position in principle, given its potential to accommodate more of the development which is needed by the economy. However, urban areas are complex and have a wide variety of constraints, typologies and characters, even in small areas. Introducing design codes that respond to this diversity is likely to be challenging in practice and will require an extremely sophisticated approach to be deliver the intended aim.

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

LPA supports the amendment proposed that would make it clear that paragraph 11(d) relates to policies that set out the supply of land. But this amendment should be changed so it does not preclude the presumption in favour of sustainable development also applying where other policies relevant to the application are also out of date.

**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. LPA supports continued cross-boundary working. We have set out in our response to Question 1, the importance of the London Plan retaining a key role in the strategic distribution of housing targets in London. LPA suggests that the role of the London Plan, and other Spatial Development Strategies, is recognised within the NPPF.

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

LPA supports the principle of improving the tests of soundness to make the planning system more responsive to the demand for strategic scale development.

**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?**

LPA has addressed this in Question 1. LPA is supportive of a standardised method for assessing housing need, but is concerned that the need that the methodology proposed for central London authorities is not achievable. LPA does not, therefore, support the specific basis of the replacement Standard Method proposed.

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

LPA strongly endorses this suggested change.

This change is directly aligned with the principles of sustainable development already established within the NPPF, namely that previously developed land is often the best positioned, geographically and in other respects, to deliver economic growth in a sustainable manner, whilst also preserving those areas which are more sensitive to development and whose preservation delivers a strategic role, such as National Parks, Areas of Outstanding Natural Beauty and the Green Belt.

Brownfield development in city centres often requires the extension, extensive alteration, or in some cases, replacement of existing buildings to enable meaningful intensification and provide the type of accommodation which meets the needs of modern occupiers and supports economic growth and resilience.

LPA's experience, however, is that the emerging introduction of local policies prioritising the retention of existing buildings on carbon grounds and restricting demolition, even in part, is making the delivery of brownfield development increasingly challenging. Applications for these developments are often being required to undertake extensive optioneering and carbon analysis. The way in which this analysis is considered and assessed, and the wider benefits (economic, social and environmental) of development balanced against carbon implications, is uncertain and inconsistent.

LPA is concerned that the implementation of such local policies could result in the development of brownfield sustainable locations from being discouraged or made more difficult. This could result in a level of growth which is below the potential the country can achieve, in conflict with the aims of this consultation.

Establishing that the default answer to development on a brownfield site should be "yes" would be an important addition to the framework within which considerations of embodied carbon and the social, economic and environmental aspects of development are considered.

LPA would welcome additional detail on brownfield passports, although it anticipates it would be supportive of the principle of this.

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

We note the proposed change to the affordable housing tenure mix. LPA does not express a view on the principle of this, although it notes the growing challenge of development viability in London on residential development and the reticence of Registered Providers to acquire affordable housing units secured through s106, because of the respective costs and values of this accommodation. The lack of a market for affordable housing, even when delivered as part of a wider private development, is an area of growing concern.

**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?**

LPA is neutral on this suggested approach on the understanding that it would apply only to Green Belt development released under the terms of the revised NPPF. LPA would strongly object to the wider application of Government-set or nationally-set benchmark land values in viability assessments, whether at a plan-making or development management stage, as it does not consider it practical for accurate benchmarks to be set that would reflect the complexity and heterogeneity of brownfield, city centre, land values.

Should alterations to the way in which viability is considered for city centre, brownfield, and other non-Green Belt sites be proposed, this should be subject to a separate consultation. LPA would not support the application of the approach suggested from Question 39 to Question 47, on non-Green Belt sites.

**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?**

As noted in LPA's response to Question 39, LPA would not support the application of the approach outlined at Questions 39 to 46 outside of Green Belt sites.

LPA understands the desire to try to increase the contributions developments make in relation to affordable housing, where the market position improves and the viability of development could therefore improve. LPA's experience of the use of late-stage review mechanisms within developments in London, however, is that they introduce substantial additional complexity, which, overall, discourages housing development in favour of other uses where there is no late-stage review mechanism. LPA is conscious this could simply reduce housing development in favour of other uses, which is not the overall intention of the proposed alterations to the NPPF, and would advise caution in the use of review mechanisms.

**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?**

LPA supports the removal from the NPPF of references to 'beauty' and 'beautiful', because these are subjective terms which are poorly defined and, in LPA's view, extremely difficult to apply to decision-making in a proportionate manner. LPA's view is that, whilst it would be better for the NPPF to refer to 'well-designed' development than to 'beautiful' development, this would still create a highly subjective term which requires greater definition if it is to be used constructively in decision-making.

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

LPA supports both the retention of the policy supporting upward extensions and the amendment of the policy to ensure that a condition of simultaneous development should not be imposed on an application for multiple upward extensions. LPA supports providing the same level of support for other types of upward extensions such as mansard roof extensions, in recognition of the similar benefits they can provide for communities.

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

LPA is very supportive of the changes proposed to paragraphs 86 (b) and 87 of the NPPF. LPA would welcome these changes.

They would help to ensure the country's potential for growth is maximised. LPA especially welcomes the emphasis placed on meeting the needs of a modern economy, including the types of development to which the policy refers. It is important to ensure the types of development to which the paragraph specifically refers are not mis-interpreted as an exhaustive list. The use of the term 'such as' in the proposed wording, at a minimum, is therefore of critical importance.

LPA suggests the importance of some other uses, such as good quality office uses, is also recognised for its contribution to meeting the needs of the modern economy, and is therefore specifically included.

It is essential that the list provided in the NPPF wording is not exhaustive, to ensure that new uses which emerge in the future are not expressly excluded from the support provided by the wording. For example, the emergence of 'life-science laboratory' space would probably not have been anticipated a decade ago but is rapidly becoming a very important and high-value development sector within the economy, in which the UK is able to compete globally, particularly within the context of development in central London.

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

LPA's view is that office space should be specifically referred to in the adjusted wording at the new paragraph 84(b), given its importance to London's economy and its capacity to support high value, productive, knowledge-based jobs and secure the long-term sustainability of London, and the wider UK, as a destination of choice for global employers bringing highly skilled jobs.

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

LPA supports the proposed changes which would see all transport-impact scenarios considered in planning applications, rather than considering only the worst-case scenario. This would be a welcome change in approach, which at present can see developments resisted on the basis of potential worst case use / impact scenarios even when these are most unlikely to occur in practice. This is an unnecessary constraint on development capacity.

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

LPA has no comment on the changes proposed to new paragraph 164 of the NPPF (Question 73). However, the experience of our members is that the wording of what is now paragraph 163 is not effective in providing sufficient weight to support the low and zero carbon improvements to existing buildings, especially when applied to heritage buildings. LPA's experience is that potential carbon reductions are only inconsistently given weight as a public benefit when applying the relevant parts of Chapter 16 of the NPPF. LPA suggests that this paragraph is also further strengthened, and when they are given weight, the weight ascribed to them is low. We do not consider the pace of change currently being permitted by this policy formulation is sufficient given the scale, and pressing nature of the zero carbon challenge.

As recommended in LPA's recently published report, *Retrofit First, Not Retrofit Only: Future-proofing national policy to support sustainable development*, LPA would welcome clarity on how to balance the conservation of the historic environment, and the need to decarbonise listed buildings, non-designated heritage assets, and buildings within conservation areas. This includes listing justified sustainability upgrades to heritage assets as a public benefit to be balanced against harm arising from proposed development<sup>8</sup>.

**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?**

In our response to Q32 of the 2022 consultation on the NPPF, we explained that well-connected central urban areas, such as central London, are inherently sustainable places to accommodate development. They are already easily accessible by a range of transport modes and promote efficient, lower carbon, patterns of movement and use. Central London's public transport infrastructure, including the Elizabeth line, is the result of sustained investment over two centuries, with the associated embodied carbon.

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<sup>8</sup> Retrofit First, Not Retrofit Only: Future-proofing national policy to support sustainable development  
[CWPA19 Retrofit White Paper Digital-1.pdf \(londonpropertyalliance.com\)](#)



We explained our concerns about the complexity of introducing policy in this area, and the limitations of existing tools, in our response to the 2022 consultation. A copy of the relevant part of our response can be found in **Appendix 2** (page 11).

Optimising development densities in locations that reduce the need to travel and which make use of this existing infrastructure is inherently sustainable. This is why we have supported the presumption in favour of brownfield development in our response to Question 20.

LPA's experience is that the introduction of policies prioritising the reduction of embodied carbon has made the delivery of brownfield development which involves the alteration or demolition of existing buildings increasingly challenging, even when necessary to provide the type of sustainable accommodation that meets the needs of modern occupiers. Applications for these developments often involve undertaking extensive optioneering and carbon analysis. The way in which this analysis is considered and assessed, and the wider benefits (economic, social and environmental) of development balanced against the carbon implications, is uncertain and inconsistent.

Policy on embodied carbon, demolition and retrofit must have regard to the overarching need to promote brownfield development; if it does not, this could unintentionally discourage the development of otherwise valuable, well-connected brownfield sites, potentially in favour of either greenfield land or forgoing the associated investment altogether.

This could have unintended negative consequences, by preventing the type of development necessary to meet the needs of modern commercial occupiers. This could limit economic and productivity growth, particularly in city centre locations.

This is why the LPA has recently published research, Retrofit First, not Retrofit Only: Future-proofing national policy to support sustainable development (available at <https://www.londonpropertyalliance.com/retrofit-first-not-retrofit-only-future-proofing-national-policy-to-support-sustainable-development>), which identifies the risk to future development and investment and sets out clear recommendations. These include:

1. The introduction of a supplementary model for the assessment of retrofit and redevelopment at a national level,
2. nationally set standards for the calculation and reporting of emissions, potentially within National Development Management Policies, to replace the current variation;
3. a clear statement that the sustainable retrofit of heritage buildings will be treated as a public benefit; and
4. clear national policy on how to weigh and balance economic, social and environmental benefits that a retrofit or redevelopment may provide.

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

The validation requirements for applications should be clarified further. LPA's experience is that there are too many instances where Flood Risk Assessments ("FRAs") are needlessly required by local authorities in relation to applications which have no impact on flood risk, because the proposal does not alter the amount of hard surface and therefore the runoff and flood risk of a site. These can, for example, include where the proposals relate to the installations of doors or windows, changes of use, or other alterations to elevations or hard roofs.

The NPPF should therefore be updated to state that FRAs should not be required where the proposed development would not have an impact on flood risk. LPA also suggests that the NPPF should state that the extent of flood risk assessment work required should also be proportionate to the scale and nature of the development for which permission is sought.

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

LPA recognises that the existing fees which are charged for some categories of applications can be disproportionately low in relation to the amount of time required for officers within local planning authorities to determine them.

This is increasingly true as a greater number of complex issues become relevant to planning applications. LPA also recognises that this is most true for the complex urban settings in which LPA has experience of working. This often results in local planning authorities being unable to provide the type of responsive service which they would like to, to meet the demands of the target determination timescales in planning regulations. LPA therefore supports increasing application fees, conditional on any increased revenue being used to support the planning applications service to ensure an improved quality and speed of service in determining applications can be delivered.

LPA also has long supported the principle of setting fees at a local level, to reflect the diversity of development across the country and the different patterns of resource demand which this generates for local planning authorities. LPA supports the principle of giving local planning authorities a greater role in setting the application fees for their jurisdiction, given they will have the greatest experience of the development demands and therefore the required resource, within their respective authority.

LPA therefore also supports, in principle, the creation of a system of application fees for listed building consent applications for non-householder applications, to reflect the fact that substantial time is often required to allow local planning authorities to deal with these applications. In line with the approach to fees for applications for planning permission, LPA supports allowing fees to be set at different rates in different authorities for non-householder applications, to reflect the varying complexity of developments between parts of the country.

LPA also supports the adjustment of fees for Section 73 applications, given the amount of time required for local planning authority officers to determine these applications can, in some cases, be almost the same as for the original application itself, which is not reflected in the existing fee structure (which requires very small fees of less than £1,000, rather than tens of thousands of pounds for the original application). LPA's experience is that the level at which Section 73 application fees are set is potentially the least proportionate to the resource required by local planning authorities to deal with them. Consequently, in LPA's view, the application type for which there is the strongest case in favour of changing application fees is Section 73 applications for non-householder applications.

**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.**

As set out in response to Question 89, local authorities should be permitted to charge for non-householder development on listed buildings.

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

LPA supports full localisation for the reasons given in response to Question 89, above.

## APPENDIX 2

### **NPPF amendments and reforms to national planning policy – consultation March 2023**

Planning Policy Consultation Team  
Planning Directorate – Planning Policy Division  
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**By email only:**

[PlanningPolicyConsultation@levellingup.gov.uk](mailto:PlanningPolicyConsultation@levellingup.gov.uk)

2 March 2023

Dear Sir / Madam,

**Re: NPPF amendments and reforms to national planning policy – consultation**

I am writing on behalf of the London Property Alliance (the “Alliance”). The London Property Alliance is an umbrella organisation for the City Property Association and the Westminster Property Association, the membership bodies and advocacy groups for the leading owners, investors, professional advisors and developers of real estate in the Cities of London and Westminster. Lists of the 400+ member companies (300 when combined given c100 are members of both associations) we represent are available [here](#) and [here](#).

The Alliance welcomes the opportunity to comment on the Department for Levelling Up, Housing and Communities’ (‘DLUHC’) consultation in respect of the proposed amendments to the National Planning Policy Framework (‘NPPF’) and the wider reforms to national planning policy, as published by DLUHC on 22 December 2022.

The Alliance supports the Government’s continued commitment to delivering new housing to meet need. To deliver vibrant, successful communities and places, this housing need must be delivered alongside strong economic growth. We look forward to the Government’s wider planning policy reforms which suggest a focus on other non-housing uses. The Government must ensure that our national planning policies and framework encourage and incentivise good growth in the right places.

We have prepared our representations in response to the questions set out in the consultation document (Chapter 14). Not every question is relevant to our response and therefore we have only responded to the questions set out within this letter.

**Q6. Do you agree that the opening chapters of the Framework should be revised to be clearer about the importance of planning for the homes and other development our communities need?**

The Alliance supports the principle of the NPPF including clear references about the importance of planning for homes and other development which communities need.

Reference to providing “*sufficient*” housing in paragraph 1 is unnecessary and undermines the approach taken in the NPPF that the planning system should provide a “*positive vision for the future of each area*”

(paragraph 15). “Sufficient” suggests that local planning authorities should only target the bare minimum **and this insertion should be removed from paragraph 1.**

The amendments set out within the NPPF and the wider planning policy reform primarily focus around housing delivery. The Alliance **strongly encourages the Government to consider the role of economic growth in plan-making and ensure that housing growth is coupled with the delivery of strong, inclusive economies.**

**Q10. Do you have views on what evidence local planning authorities should be expected to provide when making the case that need could only be met by building at densities significantly out of character with the existing area?**

The Alliance objects to the insertion of the following wording at paragraph 11(b)(ii) of the revised NPPF:

*“such adverse impacts may include situations where meeting need in full would mean building at densities significantly out of character with the existing area [taking into account any design guides or codes which form part of the development plan for the area, or which are adopted as supplementary planning guidance].”*

The Government has been clear that there is a pressing need for new housing for our communities, shown through the retention of the 300,000 new homes/year target. In addition to this housing need, there is also a need for economic growth and development. In London, this is evidenced in the Mayor’s London Plan (2021) where, over the plan period (2016-2041), the Central Activities Zone (CAZ) and the Northern Isle of Dogs are alone projected to accommodate more than 367,000 additional office jobs and a net increase of 3.5 million sqm GIA of office floorspace and the CAZ is projected to have demand for approximately 375,000 sqm of additional comparison goods retail floorspace. Clearly, development is needed to meet these needs.

The Alliance agrees with the overarching principle in the NPPF regarding sustainable development and that set out in the London Plan of Good Growth i.e. that needs must be met through enabling positive development which benefits communities.

There must be an acknowledgement that in some instances, growth will result in increased densities. Densification is often positive and desirable. Indeed, in urban areas such as London, optimising well-connected sites to deliver homes, jobs and other vital facilities is critical to ensure that the country’s growth needs are met and viable local services are supported. This approach is referred to in the revised NPPF at footnote 30 when referring to urban local authorities, as follows: [our emphasis shown in bold]

*“brownfield and other under-utilised urban sites should be prioritised, and on these sites **density should be optimised to promote the most efficient use of land**, something which can be **informed by masterplans and design codes**. This is to ensure that homes are built in the right places, to make the most of existing infrastructure, and to allow people to live near the services they rely on, making travel patterns more sustainable.”*

The additional text proposed at paragraph 11 could undermine the principle of achieving growth through optimising sites by restricting the ability of local planning authorities to positively plan for well-designed schemes which would deliver growth and benefits, but which may increase density.

The relationship between the additional text proposed for paragraph 11 (‘significantly out of character’), footnote 30 (optimising density, including through the use of masterplans and design codes) and paragraph 135 is confused. It is proposed that Paragraph 135 would state that the “primary means” for local planning authorities to assess development “*should be through the preparation and use of local design codes*”. Such design codes would be prepared in the context of paragraph 11 which would provide that densities beyond those anticipated by the design codes could be an adverse impact.

Given that design codes will be mandatory, we are concerned that this would lead to resistance to appropriate densification, constraining development. Footnote 8, in particular, as proposed, could encourage the use of design codes, or similar tools, to strengthen local policies that would **prevent** the densification and optimisation of sites. This is contrary to the objectives for the neighbourhood tier of local plans, which should not “promote less development than set out in the strategic policies for the area or undermine those strategic policies” (NPPF, Paragraph 29).

The additional text proposed at paragraph 11 is also not necessary. Already, local planning authorities are empowered to consider adverse impacts when plan-making, and in some instances this may include reviewing potential negative impacts of increasing densities. However, our concern is that specifically including “significantly out of character” as an illustrative ‘adverse impact’, and linking this to the provisions of design codes, will increase its weight and usage as a reason to constrain positive, ambitious, plans.

We suggest that **all of the additional text which has been added to paragraph 11(b)(ii) of the revised NPPF be removed.**

**Q11. Do you agree with removing the explicit requirement for plans to be ‘justified’, on the basis of delivering a more proportionate approach to examination?**

The Alliance recognises the challenge of the evidential burden placed on local authorities during plan preparation. It would not oppose the removal of the requirement to consider reasonable alternatives, as one of the components of the “justified” test at paragraph 35 of the NPPF, if this would potentially simplify plan-making.

The Alliance objects, however, to the wholesale removal of the ‘justified’ element from the soundness test at paragraph 35 of the NPPF.

It has been a long established principle that the UK’s planning system should plan for, and help deliver, need. One of the guiding principles of the NPPF is ‘Achieving sustainable development’ which is summarised at paragraph 2 as “*meeting the needs of the present without compromising the ability of future generations to meet their own needs*”. To meet need through the plan-led system, local authorities and communities first need to clearly understand what that need is. This is where proportionate, but robust and clear **evidence** is needed, which itself then helps to **justify** any approach to spatial development and planning which a local planning authority considers necessary. Proportionate evidence is also needed to consider other aspects of policy, such as whether development can fund infrastructure and other costs; it cannot be right that policy could be imposed through the local plan without evidence to support it.

We do not consider it would be possible to demonstrate that a plan is effective without appropriate evidence but, as proposed, there would be no reference to evidence within the tests of soundness, except in respect of evidence of cross-boundary working.

We understand the Government’s desire to help speed up the plan-making system and acknowledge that developing evidence bases and reasonable alternatives does take time and local planning authority resource. Removing ‘justified’ from the soundness test will only create delay and confusion during the plan-making process. Currently, debates during plan examinations are often centred around evidence-based arguments. If evidence is effectively removed from the plan-making system, debates will become much more theoretical, likely political and protracted. When plans are adopted, there is the risk that these are not based on justified evidence, which risks the plan-led system not adequately planning for and meeting need, and therefore falling short of one of the guiding principles of the planning system.

The Alliance is also concerned that plans could be more open to challenge if they are not supported by a robust evidence base. There is a risk of plans being challenged on the basis that they are irrational or unreasonable if it can be shown they have been developed without a policy basis.

If the Government's intention is that plans should continue to be evidence-based and seek to meet current and future need, then **we suggest that part (b) ('Justified') of paragraph 35 of the NPPF be retained**. If it is to be removed, reference to appropriate, proportionate evidence should be introduced elsewhere in paragraph 35.

**Q14. What, if any, additional policy or guidance could the department provide which could help support authorities plan for more homes in urban areas where the uplift applies?**

Linked to our response to Q10 above, at the very least **we suggest that the Government remove the inserted text at paragraph 11(b)(ii) of the revised NPPF**. As drafted, this additional text could significantly weaken the ability of local planning authorities to deliver new homes and other types of growth.

**Q. 22 Do you agree that the government should revise national planning policy to attach more weight to Social Rent in planning policies and decisions? If yes, do you have any specific suggestions on the best mechanisms for doing this?**

Patterns of need vary considerably across the country depending on local circumstances, requirements and market characteristics. Therefore, **the Alliance believes that this level of detail is best left considered to planning authorities after thoroughly assessing local need** rather than being specified on a national basis.

**Q26. Should the definition of "affordable housing for rent" in the Framework glossary be amended to make it easier for organisations that are not Registered Providers – in particular, community-led developers and almshouses – to develop new affordable homes?**

**The Alliance agrees that the definition of "affordable housing for rent" in the NPPF should be amended to make it easier for organisations that are not Registered Providers to develop new affordable homes**. This should include community-led developers and almshouses, but we would encourage it to be drawn more widely, to include landowners and developers.

Central London has an established pattern of affordable housing being delivered by private landowners, often extending back over a century. There continue to be instances where developers or landowners may wish to develop affordable housing as part of a wider scheme, especially on smaller sites. This on-site delivery is often not possible because of the complication of introducing a Registered Provider to acquire the units. RPs will often have a minimum lot size and will be unwilling or unable to take on smaller sites, whereas a larger landowner responsible for a wider block or area may be able to be more flexible. In these circumstances, delivery is often either off-site or via a payment in lieu. If landowners or developers were able to deliver and operate the affordable housing themselves, subject to appropriate controls and guarantees, these economies of scale associated with the wider block could be used to enable additional on-site delivery.

**Q36. Do you agree that a specific reference to mansard roofs in relation to upward extensions in Chapter 11, paragraph 122e of the existing framework is helpful in encouraging LPAs to consider these as a means of increasing densification/creation of new homes? If no, how else might we achieve this objective?**

We agree that specific reference to mansard roofs and upward extensions within the NPPF is helpful.

Whilst mansard extensions could help to achieve some residential growth, in reality the numbers of new homes which could be created is likely to be fairly minimal. This type of growth typically is just for residential as well, and usually does not create additional employment-generating growth.

Linked to our response to Q10 above, **we suggest that the Government remove the inserted text at paragraph 11(b)(ii) of the revised NPPF**. As drafted, this additional text could significantly weaken the ability of planning authorities to deliver the right kind of growth.

**Q 39. What method or measure could provide a proportionate and effective means of undertaking a carbon impact assessment that would incorporate all measurable carbon demand created from plan-making and planning decisions?**

Well-connected central urban areas, such as central London, are inherently sustainable places to accommodate development. They are already easily accessible by a range of transport modes and promote efficient, lower carbon, patterns of movement and use. Central London's public transport infrastructure, including the Elizabeth line, is the result of sustained investment over two centuries, with the associated embodied carbon.

Optimising development densities in locations that reduce the need to travel and which make use of this existing infrastructure is inherently sustainable. We therefore support changes to the NPPF, and the introduction of National Development Management policies that would support sustainable patterns of development and an improved built environment, as suggested at paragraph 12 of the consultation document.

**We agree that whether, and how, broad carbon assessment should be undertaken for plan making and planning decisions should be a matter for national policy.** We are concerned that if this topic is addressed solely at a local level, in different ways by individual planning authorities, it will lead to a fragmented system that does not create consistency of approach and outcome and that deters investment.

**We do not currently support proposals to "embed a broad form of carbon assessment" in planning policy, to be applied at either local plan level or, as implied at paragraph 13, on individual developments.**

This is because we do not consider that effective and proportionate ways of carrying out a carbon impact assessment, or similar, currently exist.

We are concerned that any carbon impact assessment would, inevitably, be focused on quantitative carbon emissions only, as a relatively narrow and technical assessment. Such assessments will conclude, in most cases, that development would emit carbon and that not proceeding with it would emit less.

However, this would not consider other dimensions of sustainable development, such as sustainable economic development, the need for new homes, ecological and habitat improvements, or other aspects such as infrastructure provision. These are also key policy objectives within the NPPF.

Defining the appropriate system boundary and the scope, or limits, of the carbon assessment to be carried out would, potentially, be extremely complex. For example, how would the effects of individual plan-making, or development management, decisions on travel patterns be taken into account? Would it be necessary to compare development proposals with alternative hypothetical development proposals to assess the overall carbon benefits or disbenefits?

By way of further example, development on green-field sites may often, superficially, appear to be relatively low carbon. Buildings can be orientated easily to minimise solar gain. There are unlikely to be heritage constraints preventing the use of more innovative materials or renewable energy technologies. It is not necessary to deconstruct existing buildings, with the associated embodied carbon / perceived waste of the carbon already within that existing building. Complex groundworks, such as reinforcement of adjacent buildings, and remediation are unlikely to be necessary.

However, such development would often be less sustainable, in its wider sense, than comparable development in a city or town centre. It would promote the use of cars and other non-sustainable transport modes. It would place additional pressure on habitats, potentially lead to the loss of agricultural land and add to urban sprawl. Conversely, development in dense urban areas would be

easily accessible by sustainable transport and would support the economic and social functions of existing areas.

This will sometimes involve more extensive, and potentially more locally-carbon intensive, development – not least because it will not be possible, in all circumstances, to retrofit existing buildings in urban areas.<sup>9</sup>

Broadening the assessment of carbon emissions to seek to assess the overall carbon implications of development choices in either plan-making or individual development management decisions would be hugely complex and resource intensive. It would create substantial additional requirements of local planning authorities, at a time when their resourcing is already inadequate in many cases to addresses existing complexities within the planning system. It would also add significant additional cost, and uncertainty, to developers and investors.

We have suggested a potential alternative approach to this issue in our response to Question 40.

**Q40. Do you have any views on how planning policy could support climate change adaptation further, specifically through the use of nature-based solutions that provide multi-functional benefits?**

We have noted, in our response to Question 39, our concern about practicality and proportionality of undertaking broad carbon impact assessments at plan making, and / or planning decision, stage.

Our members have growing experience of embodied and whole-life carbon assessments being required to assess the carbon associated with construction, and across the lifespan, of new developments. This is based on the carbon performance of development and construction, use, end of life and beyond the system boundary, in accordance with the modules described in BS EN 15978 and the RICS Practice Statement on Whole Life Carbon Assessment, as required under Policy SI2 of the London Plan and the Mayor’s London Planning Guidance on Whole Life Carbon Assessment.

We support the continued use of this tool to ensure that the carbon associated with new development is reduced as far as possible, by using carbon efficient construction techniques and materials, considering the reuse of materials from demolition when appropriate, and ensuring that new buildings are designed to be as efficient as possible in use.

**We would support the introduction of national policy that would standardise the approach to whole life carbon assessment, setting widely recognised standards and approaches.** We suggest that targets for embodied and whole life carbon, for common development typologies, could be set that could apply, generally, across the country, based on BS EN 15978 / the RICS Practice Statement. These could be subject to regular review. Development proposals would be expected to show they had sought to meet the targets, to reduce the carbon associated with the construction and use of buildings. Where the targets are achieved, it would not be necessary to seek additional information or require further justification for development proposals on carbon grounds.

This would establish a consistent and well-understood system across the country, whilst avoiding the need for extensive and complex analysis of a range of alternative development options in all cases.

**Q44. Do you agree with our proposed Paragraph 161 in the National Planning Policy Framework to give significant weight to proposals which allow the adaptation of existing buildings to improve their energy performance?**

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<sup>9</sup> *Retrofit First, Not Retrofit Only*, London Property Alliance, 2022. This research on retrofitting 20th century buildings concluded that retrofit is not always possible. Retrofit or refurbishment does not always optimise planning and public benefits. Nor may such development deliver schemes which meet all other relevant and necessary technical requirements, including for example, fire safety measures and daylight/sunlight requirements. In some instances, an investment in carbon is necessary to ensure that buildings which are not suitable for retention do not become stranded assets. This may involve deconstruction and an upfront investment of carbon.



**Yes. We support this addition.** This would provide helpful additional support for proposals to adapt and change existing buildings.

Nevertheless, as noted above, and as set out in the London Property Alliance research cited in our response to Question 39, there will be some existing buildings in urban areas that are ill-suited to retention and adaptation, and **it will be important to ensure that such buildings can continue to be replaced where it is appropriate to do so**, to make best use of site capacity and best realise the wider benefits that can be secured by redevelopment.

#### **NPPF amendments and reforms to national planning policy consultation – Response summary**

We summarise the points made within this response as follows:

The NPPF and wider planning reform should properly **encourage economic growth alongside housing delivery**. Introduction of the word ‘sufficient’ at paragraph of the NPPF should be **removed**. All of the **additional text inserted into paragraph 11(b)(ii) of the revised NPPF** (adverse impacts including “building at densities significantly out of character”) **should be removed**. If retained, this wording **risks the delivery of growth** through the optimisation of sites. If the Government wishes to achieve its housing targets (and other evidenced need), then **densification**, in the right and proper format, **has to be accepted and encouraged**. Whilst mansard extensions could help achieve some growth, this is not going to be on a sufficient scale to meet need.

We strongly **object to the removal of the ‘justified’ element** from the soundness test set out in paragraph 35 of the revised NPPF. This could erode the long-established principle that the planning system should plan for, and help deliver, need. In addition, the removal of this element is likely to **cause delay and confusion** during the plan-making process.

It would be helpful for the definition of “affordable housing for rent” **to be widened** in the NPPF to enable developers (who are not Registered Providers) **to develop affordable housing**. This could help with the delivery of more affordable housing, particularly on small sites. We consider that the optimum tenure split for affordable housing is best determined at a local level.

We agree that the appropriate approach to **broad carbon assessment is best addressed in national policy**. Introducing a more extensive “broad form of carbon assessment” is likely to be disproportionate, highly complex, resource intensive and ultimately unrevealing. We suggest, instead, that this should take the **form of national policy on the carbon standards that new development should achieve**, based on existing methodologies, to produce a well-understood and consistent approach to this issue.

We would be happy to discuss any of the points raised in this letter further with representatives at the DLUHC.

Yours sincerely,



**Charles Begley**  
Chief Executive – London Property Alliance