

**Matthew Pennycook MP**

Department for Levelling Up,  
Housing and Communities  
2 Marsham Street  
London  
SW1P 4DF

**Date:** 18th September 2025

Dear Minister,

**RE: Housing Delivery Test - Impact on Local Planning Authorities Affected by National Parks**

We would like to thank you for the constructive meetings you held with Gregory Stafford MP in November 2024 and with Damian Hinds MP and officers from East Hampshire District Council (EHDC) in March 2025 to discuss the operation of the standard method for calculating housing need, and for subsequently arranging discussions with the Planning Inspectorate on this important matter. There remains no resolution following the meeting with PINS, however, those discussions provided further support for potential ways of disaggregating local housing need, which we will explore as part of the evidence base for our emerging Local Plan.

We write, once again, to jointly express our serious concerns about formulaic calculations and how they disproportionately impact East Hampshire, this time regarding the operation of the Housing Delivery Test (HDT). This is particularly the case for local planning authorities whose districts are intersected by National Parks, including EHDC.

East Hampshire District is dissected by the South Downs National Park (SDNP), which covers 57% of the district geographically and approximately 26% of its housing stock. The remaining 43% lies within the East Hampshire Local Planning Authority (LPA). As you are aware from previous discussions, the SDNP is a separate planning authority and as such, EHDC is only responsible for plan-making and development management in the smaller part of the district.

Housing delivery, especially the provision of affordable housing, remains a corporate and political priority for EHDC, as detailed in the East Hampshire Council Strategy 2024-28. The Council is currently working on a new Local Plan, which will address the LPA's development needs over the period to 2043.

We recognise and fully support the core purpose of National Parks to conserve and enhance natural beauty, wildlife and cultural heritage. However, we are concerned that the current HDT methodology fails to take account of the significant constraints that such designations impose. The previous standard method used to calculate housing need, and subsequently current HDT requirements, uses a district-wide approach to household

projections and affordability ratios, despite the presence of a separate planning authority and very different policy context across much of the district. Yet Planning Practice Guidance (PPG) clearly acknowledges that the Housing Delivery Test does not apply to National Park Authorities.

This is not a theoretical concern. The consequences of under-delivery set out in the National Planning Policy Framework (NPPF) apply to East Hampshire LPA but not to the SDNPA, even though housing delivery within the National Park contributes to the HDT measurement. This is inherently unjust. We have no planning control over housing delivery in the National Park, and there are limited levers available to us to influence outcomes within that area. Yet the HDT holds the East Hampshire LPA accountable for that very delivery.

We have previously raised related concerns regarding the standard method and the lack of clarity in Planning Practice Guidance for districts where a substantial portion of housing stock and population lies within a National Park. Despite this, there remains no guidance to differentiate or adjust the HDT calculation for such circumstances. This situation places disproportionate and unsustainable pressure on the East Hampshire LPA area, which already faces significant development challenges of its own.

Although EHDC has historically performed well against the HDT since its introduction in 2018, the 2023 result showed that 1,453 new homes were delivered across the whole district between 2020/21 and 2022/23, representing 88% of the requirement. This has triggered the need for the East Hampshire LPA to prepare an Action Plan, which was approved by Cabinet on 18 July 2025. Meanwhile, the SDNPA, despite housing being included in the same HDT measurement, is excluded from any consequences.

We also note that we are not alone in this position. Other authorities intersected by the SDNP, including Lewes, Adur, Arun, Eastbourne, and Horsham are similarly affected and have been subject to HDT consequences such as action plans, 20% buffers, or even the presumption in favour of sustainable development. The matter is not confined to the SDNP with many local planning authorities across the country straddling national parks. This highlights a systemic issue that warrants a national policy solution.

EHDC is currently preparing a new Local Plan to cover the period to 2043, and we are actively engaging with the SDNPA on strategic matters, including housing, through Duty-to-Cooperate channels. However, the SDNPA is not required to meet its Local Housing Need (LHN), and its ability to accommodate development is restricted by its national park status. Consequently, the burden of delivery continues to fall on the smaller portion of the district, an area under increasing pressure from speculative development.

Based on the above, we believe that the HDT should not be measured on a district-wide basis in areas split between multiple planning authorities. Instead, it should be based on the local housing need and delivery performance of the relevant LPA only. This would allow plan-making and delivery to reflect the actual responsibilities and land-use constraints of each authority area and prevent unjust consequences arising from circumstances outside an LPA's control.

If the HDT was measured on the local housing need and delivery within its own boundaries, as suggested above, EHDC LPA would have delivered 1,300 dwellings between 2021/22 and 2022/23, representing 99% of the requirement. This would result in no consequences for EHDC.

In line with paragraph 79 of the NPPF, and to remain pragmatic in meeting housing needs, we have prepared our HDT Action Plan, which sets out the reasons for under-delivery and identifies measures to improve delivery. However, this plan can only cover the part of the district under our planning jurisdiction and cannot address delivery in the National Park.

To conclude, we urge the Government to reconsider the current HDT methodology and introduce a more equitable approach. Specifically, we ask that the HDT be calculated based on the LPA's area of responsibility and local housing need, with appropriate adjustments to the standard method in cases where a National Park significantly affects district-wide figures. Without such reform, East Hampshire LPA and many other authorities will continue to face unjust consequences for matters beyond their control.

We would welcome the opportunity to discuss this matter further with your Department and support any move towards a more accurate and fair application of housing delivery measures.

Yours Sincerely,



Richard Millard  
**Leader of East Hampshire District Council**



Damian Hinds MP  
**Member of Parliament for East Hampshire**



Greg Stafford MP  
**Member of Parliament for Farnham and Bordon**