

The logo for Weightmans, featuring the name in white text on a dark teal, wavy rectangular background.

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Unpicking the Housing White Paper

Will it fix the market?

21 March 2017

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A decorative graphic at the bottom of the slide consisting of several overlapping, wavy lines in shades of orange, yellow, and green, flowing from the left side towards the right.

Covering Today?

- What is the problem
- Run through key proposals and how will affect local authorities
- Conclude by asking if the proposals will fix the market

White Paper – what is it?

- Published on 7 February (115 pages...)

“This country doesn’t have enough homes... We need radical lasting reform that will get more homes built right now and for many years to come. This White Paper explains how we will do just that.”

Sajid Javid MP

- More green than white?

A Raft of Other Published / Consultation documents

- Planning and affordable housing for **Build to Rent** consultation
- Response to changes to the **National Planning Policy Framework** consultation
- Response to the **starter homes regulations**: technical consultation
- Summary of responses to the technical consultation on planning changes, consultation on **upward extensions** and **Rural Planning Review** call for evidence
- Report of the **Local Plans Expert Group**
- **Community Infrastructure Levy Review**

So What is the Problem?

- Need 225,000 to 275,000 per year
- Averaged 160,000 since 1970's
- 10 housebuilders build 60 per cent of private homes
- 40% of LPA's no local plan to meet projected growth
- Growing gap between permissions granted and built out
- Escalating house prices from lack of supply

Key Proposals

Starter Homes/ Affordable Housing

- Mandatory 20% requirement dropped
- Focus on supply of all tenures
- 10% must be “Affordable Homes Ownership Products”
- Affordable Housing Definition:
 - Broadened
 - Includes **affordable private rent**

Capacity in Planning Departments

- Recognition of lack of capacity and capability
- **Increase Planning Fees**
 - 20% from July 2017
 - Must re-invest into Planning department
 - Poss further 20% if meeting housing needs
 - Help with skills and capacity gaps?
- No other real funding proposals at this stage...

- **Deterring Planning Appeals**
 - £2k cap for inquiry...

It's all about the delivery – Housing Delivery Test

- New focus for LPA's on delivery against needs
- Assessed over rolling 3 year period
- Consequences of under delivery?
 - Nov 2017 – below 95% = publish action plan
 - Nov 2017 – below 85% = plan for 20% buffer
 - Nov 2018 – below 25% = NPPF presumption applies and local policies deemed out of date
 - Nov 2019 – below 45% = as above
 - Nov 2020 – below 65% = as above

Tools to Deliver?

- 2 years for commencement
 - realistic?
- Use it or lose it!
 - **Completion Notices** encouraged
 - No need for SoS consent before takes effect
 - But still right to have a hearing...
- Use of CPO encouraged on stalled sites
- Blunt instruments?
- Deter investors?
- Would a carrot be more effective?

Tools to Deliver (2)

- Monitoring delivery – info from developers
- Applicant's track record
 - Material consideration
 - For large sites only
 - But permissions run with land...
- Higher density development to be encouraged
 - Review space standards
 - Urban areas
 - Flexible approaches? eg open space in area

Green Belt

- Special protections to be retained – “very special circumstances”
- Green belt review still possible
 - High bar
 - LPA must demonstrate all other reasonable options examined
- NPPF to be clarified
- Missed opportunity?
- Does all green belt merit special protection?

Local Plans/ Housing Needs

- Proposals to simplify local plans process
- 5 Year Reviews
- Acknowledgment that Duty to Cooperate not working everywhere
 - Gov will consult on SoCG requirement...
- **Standardised Housing Needs Methodology**
- Notoriously complex – particularly across HMAs
- Not mandatory
 - reasonable justification if departing
- Further consultation required

Housing Needs..

- From **April 2018** – in absence of up to date plan shall apply for calculating housing requirements
- Ability to fix housing land supply for 1 year
 - Need a 10% buffer
 - In consultation with developers & stakeholders

Local Authority Projects?

- Housebuilders claim lack of Council building is why national need not being met...
- General praise & encouragement for local authority projects
 - Partnership models
 - Housebuilding companies
 - Direct build
- New General Disposal Consent to be issued
- Promise to ensure LA's have expert guidance available
- No increase in borrowing limits though

CIL Review

- Government commissioned review
- Hybrid system proposed to replace CIL:
- **Low Level Tarriff** for small developments
 - everybody pays
- **Section 106** for large developments
 - Flexibility
 - Link to delivery on the ground
- No action until Autumn 2017

Will it fix the problems?

- Radical enough?
- But wholesale change creates risk – remember RSS abolition...
- Some good listening by gov, eg
 - Focus on supply of all tenures
 - Increased fees
 - Local Plans
 - Encouragement for housing associations
- But missed opportunities?
 - eg green belt
 - Mandatory methodology

Will it fix the problem? (2)

- Nice research, some useful tweaks, but missing real solutions?
- Duty to cooperate v spatial planning – remains a challenge
- Do developers actually sit on PP's?
 - Overstating problem?
 - Tools are blunt
- Detail still awaited in many areas



Questions / Discussion

Over to you...