

## Fixing Our Broken Housing Market: *the Government's response to the nations crisis*

7<sup>th</sup> February 2017



The long-awaited Housing White Paper: *Fixing our broken housing market* has finally been released (7<sup>th</sup> January 2017).

The White Paper makes it clear that we are in a housing crisis, with a huge shortage of new homes resulting in the majority of people being unable to afford to buy (nothing new there). What the White Paper does do is attempt to address this housing shortage as well as deliver on the election promises. It also seeks feedback on whether the proposed measures are sufficient and appropriate.

Below is a summary of what we consider to be the key messages for the housebuilding sector, with particular emphasis on the private sector and planning:

- Accelerated Construction Programme – will allow the Government to create partnerships with small and medium-sized firms and others as development partners and contractors to build out surplus public sector land, which is intended to assist in diversifying the market.
- New Town Development Corporations – the Government will legislate to allow locally accountable New Town Development Corporations to be set up, with the aim of enabling local areas to use them as a delivery vehicle if they wish to.
- Brownfield Land – greater weight is proposed to be afforded to the redevelopment of brownfield land with a presumption that brownfield land is suitable for housing unless there are clear and specific reasons to the contrary.
- Green Belt – tighter Green Belt policies will be tabled, including ensuring that local authorities only amend Green Belt boundaries when they can demonstrate that they have examined fully all other reasonable options; and where land is removed from the Green Belt, local policies should require the impact to be offset by compensatory improvements, which could include higher contributions collected.
- Rural exception sites – the Government will clarify that starter homes, with appropriate local connection tests, can be acceptable on rural exception sites.
- Small and medium sized sites and thriving rural communities – a number of proposals have been put forward including: expecting LPAs to support the development of small 'windfall' sites; and affording greater weight to the use of small undeveloped sites within settlements.
- Objectively Assessed Need – the Government is proposing to introduce a standard methodology for LPAs to calculate OAN, which will be in place from April 2018. At present LPAs are free to come up with their own methodologies.
- Five-year supply – protection will be maintained for neighbourhood plans, meaning that they cannot be deemed out-of-date unless there is a significant lack of land supply for housing in the wider local authority area.



- Delivery of sites – the Government is interested in views on whether an applicant’s track record of delivering previous similar housing schemes should be taken into account by LPAs when determining applications for housing development. The Government is also exploring the implications of amending national planning policy to encourage local authorities to shorten the timescales for developments to implement permissions from the default period of three years to two years. Measures are also proposed to ensure local authorities are held accountable for their role in ensuring new homes are delivered in their area.
- Planning application fees – local authorities will be able to increase fees by 20% from July 2017 if they commit to invest the additional fee income in their planning department. Consideration will also be given to a further 20% increase for those authorities who are delivering the homes their communities need.
- Planning appeal fees – the Government will consult on the introduction of a fee for making a planning appeal.
- Developer contributions – the Government will examine the options for reforming the system of developer contributions and will respond to the independent review and make an announcement at Autumn Budget 2017.
- Land Registry – a comprehensive land registry will be in place by 2030, with priority being given to areas of greatest housing need. Wider transparency is also proposed with regards to the availability of data about wider interests in land (for example option agreements and beneficiaries of a restrictive covenant).
- Building Regulations – the Government will explore further simplification and rationalisation while maintaining standards. More detail will be set out in the Government’s forthcoming Emissions Reduction Plan.
- Space Standard – the Government will review the Nationally Described Space Standard to ensure greater local housing choice.

## HAVE YOUR SAY

As a result of the contents of the White Paper, several changes are proposed to planning policy and legislation in relation to planning for housing, sustainable development and the environment. The consultation runs for 12 weeks and closes on 2<sup>nd</sup> May 2017.

**If you would like to discuss how the Government’s proposals will affect you and/or your business, please do not hesitate to contact either Sarah Worthington or Laura Fern**

