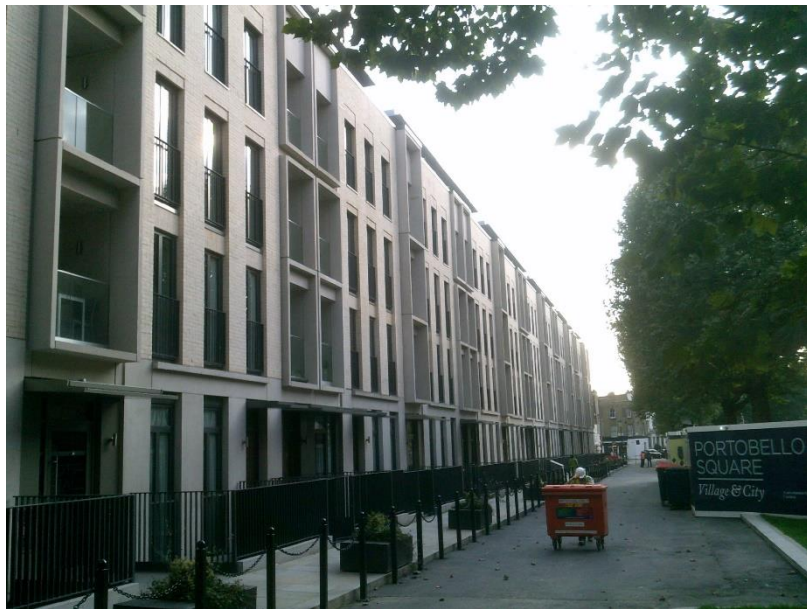


## Briefing Paper

# The Housing White Paper: Fixing Our Broken Housing Market

February 2017



**New Homes built for the market by Catalyst Housing Association at Wornington Green in Kensington, London.**

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### Introduction

The government published its long awaited White Paper on Housing on 7<sup>th</sup> February 2017. It is entitled 'Fixing Our Broken Housing Market'. -In view of the length of time that it has taken to prepare and the advance publicity that it received many were disappointed that it contained very little radical change and repeated many established policies. However, it has received a cautious welcome from the housing sector in England.

The government said that the White Paper heralded new plans to fix the broken housing market and build more homes across England including:

- Measures to reduce the obstacles to house building and help local authorities, developers and SME builders build the homes Britain needs.
- Sensible measures to improve affordability and protections for renters and home purchasers.
- Ambitious proposals to help fix the housing market so that more ordinary working people from across the country can have the security of a decent place to live.

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.  
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

**Managing Director: Adrian Waite MA CPFA CIHM FInstLM  
Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB.  
Company Number: 3713554. VAT Registration Number: 721 9669 13.**

The main announcements in the White Paper include:

- A standardised mechanism for setting housing delivery targets for councils' Local Plans.
- New guidelines to encourage compulsory purchase of undeveloped land.
- An intention to publish a new rent standard for the social housing sector after 2020.
- Dropping of the 20% threshold for Starter Homes and the target of 200,000 Starter Homes by 2020.
- Councils must include Right to Buy in homes built through new council companies.

The White Paper contains sections on:

- Planning for the Right Homes in the Right Places.
- Building Homes Faster.
- Diversifying the Market.
- Helping People Now.

The purpose of this briefing paper is to summarise the White Paper and the reactions to it from the sector; and to provide some commentary.

### **The Government's Analysis**

In introducing the White Paper, Sajid Javid MP, the Secretary of State for Communities & Local Government, said that:

*"Our housing market is broken. Since 1970, house price inflation in Britain has far outstripped the rest of the OECD. The idea of owning or renting a safe, secure place of your own is, for many, a distant dream.*

*"And behind the statistics are millions of ordinary working people. I'm talking about the first-time buyer who's saving hard but won't have enough for a deposit for almost a quarter of a century. Or the couple in the private rented sector handing half their combined income straight to their landlord. The symptoms of this broken market are being felt by real people in every community. It's one of the biggest barriers to social progress this country faces. But its root cause is simple. For far too long, we have not built enough houses. Relative to population size, Britain has had Western Europe's lowest rate of house-building for 3 decades.*

*"Thanks to the concerted efforts of central and local government, last year 190,000 new homes were completed. But that's still not enough. To meet demand, we have to deliver between 225,000 and 275,000 homes every year. In short, we have to build more of the right houses in the right places. And we have to start right now.*

*"Today's white paper sets out how we will go about doing so. But house building doesn't just happen. Meeting the unique needs of different people and different places requires a co-ordinated effort across the public and private sector. This means there's no one single magic bullet that can fix the problem. Rather, we need action on many fronts simultaneously."*

The government considers that the problem is threefold: not enough local authorities planning for the homes they need; house building that is simply too slow; and a construction industry that is too reliant on a small number of big players. The solution is therefore to streamline the planning system and introduce more competition.

The Government has identified the following challenges:

- Over 40% of local planning authorities do not have a plan that meets the projected growth in households in their area.

- The pace of development is too slow. There is a large gap between permissions granted and new homes built. More than a third of new homes that were granted planning permission between 2010/11 and 2015/16 have yet to be built.
- The very structure of the housing market makes it harder to increase supply. Commercial developers dominate the market. Over the past 25 years, productivity across the whole economy has grown by 41% as new technology and new ways of working make business and industry more efficient and effective. In construction, it has grown by just 11%.

In the introduction to the White Paper, Theresa May MP, the Prime Minister summarised the government's approach as follows:

*“First, we need more land for homes where people want to live. All areas need a plan to deal with the housing pressures they face and communities need a say in the homes that are built. We will require all areas to have up-to-date plans in place and ensure that communities are comfortable with how new homes look.*

*“Second, we need to ensure that homes are built quickly once planning permissions are granted. We will invest in making the planning system more open and accessible, improve the co-ordination of public investment in infrastructure, support timely connections to utilities, and tackle unnecessary delays. We're giving councils and developers the tools they need to build more swiftly.*

*“Third, we will diversify the housing market, opening it up to smaller builders and those who embrace innovative and efficient methods. We will encourage housing associations and local authorities to build more, and we will work to attract new investors into residential development including homes for rent.*

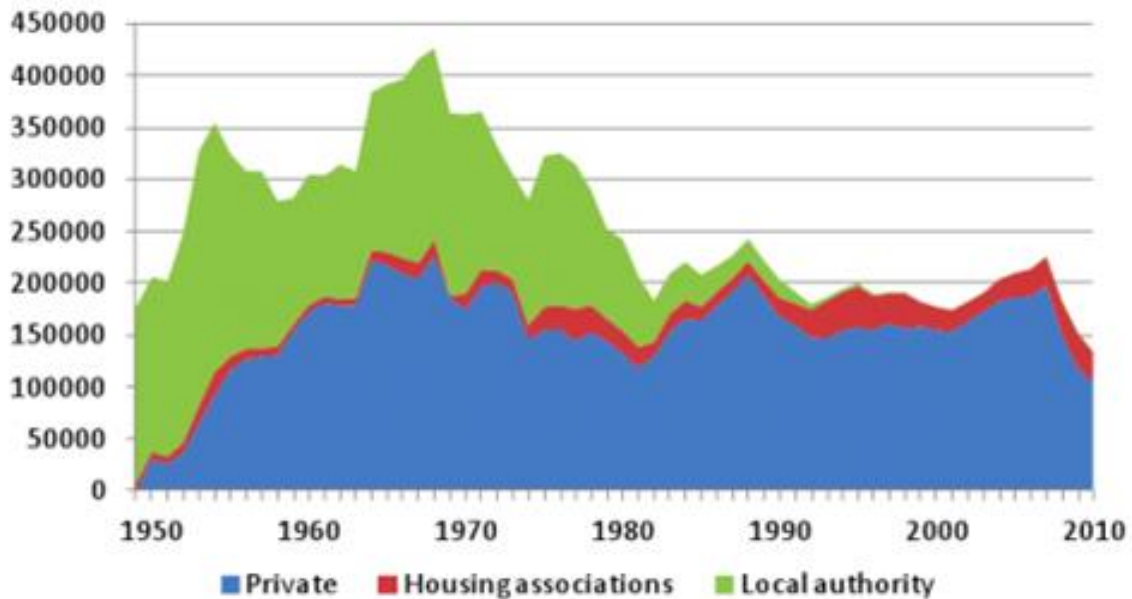
*“Finally, because building the homes we need will take time, we will also take more steps to continue helping people now, including by improving safeguards in the private rented sector, and doing more to prevent homelessness and to help households currently priced out of the market.”*

The graph below illustrates the points that are being made by the Secretary of State about the level of house building historically. Not since the 1970s have over 225,000 homes been built in a year. However, what is also interesting to note is that building by the private sector has been remarkably constant since the 1950s, building by housing associations has never provided more than a small proportion of the total number of homes required, and that during the period from the 1950s to the 1970s when housing building was at its peak almost half of the new homes built were council houses – whether it was a Conservative Government or a Labour Government in power. Some commentators have suggested that this history supports the argument that sufficient new homes will never be built unless there is a significant programme of social house building.

Supply in the housing market appears to be what economists call 'inelastic' meaning that if there is an increase in demand there will be an increase in prices rather than an increase in supply. Therefore, house building by private developers has been remarkably constant ever since the 1950s despite fluctuations in the economy and significant long-term price increases.

The construction industry in the United Kingdom is dominated by a small number of large property developers. Furthermore, at local level the market is often dominated by a single property developer. It appears that there is little incentive for these monopolistic providers to provide more homes if their profits are maximised by restricting supply thus increasing property values.

However, the government does not take this view. While it is encouraging local authorities and housing associations to build more, its focus is to put forward measures that are designed to support the private sector in delivering most of the new homes that are required through reform to the planning system and increased competition. Whether the private sector will be able to develop the capacity to deliver this much is doubted by many in the sector.



### Planning for the Right Homes in the Right Places

The White Paper proposes the following:

- Making sure every part of the country has an up-to-date, sufficiently ambitious plan so that local communities decide where development should go.
- Simplifying plan-making and making it more transparent, so it's easier for communities to produce plans and easier for developers to follow them.
- Ensuring that plans start from an honest assessment of the need for new homes, and that local authorities work with their neighbours, so that difficult decisions are not ducked.
- Clarifying what land is available for new housing, through greater transparency over who owns land and the options held on it.
- Making more land available for homes in the right places, by maximising the contribution from brownfield and surplus public land, regenerating estates, releasing more small and medium-sized sites, allowing rural communities to grow and making it easier to build new settlements.
- Maintaining existing strong protections for the Green Belt, and clarifying that Green Belt boundaries should be amended only in exceptional circumstances when local authorities can demonstrate that they have fully examined all other reasonable options for meeting their identified housing requirements.
- Giving communities a stronger voice in the design of new housing to drive up the quality and character of new development, building on the success of neighbourhood planning.
- Making better use of land for housing by encouraging higher densities, where appropriate, such as in urban locations where there is high housing demand; and by reviewing space standards.

The government has maintained consistently that planning policies and controls are a major barrier to the development of new homes. However, the Local Government Association and individual local authorities have maintained consistently that this is not the case, pointing out that a significant number of the developments for which planning permission is obtained are not actually built. The government appears to have shifted its position slightly, continuing to maintain that planning is a problem but also conceding that the construction industry is part of the problem also.

The proposal for a standardised way of calculating housing demand, with each local authority mandated to produce a realistic plan and review it every five years is a new approach from this government. Councils are already required to produce local plans for housing, but using centralised systems to calculate demand appears to be similar to the former Labour government's approach of setting housing targets for local authorities. This approach was abandoned by the coalition government in 2010 as being too prescriptive and incompatible with 'localism'.

The proposed expectation for councils to use land more efficiently by building at higher density and taller is a new proposal. However, the White Paper provides no information on how this proposal is to be implemented – whether it will be promoted as good practice or whether there will be a statutory requirement or other incentive.

The 'de facto' presumption in favour of housing on suitable brownfield land was originally proposed in a planning consultation in December 2015.

### **Building Homes Faster**

The White Paper proposes the following:

- Providing greater certainty for authorities that have planned for new homes and reducing the scope for local and neighbourhood plans to be undermined by changing the way that land supply for housing is assessed.
- Boosting local authority capacity and capability to deliver, improving the speed and quality with which planning cases are handled, while deterring unnecessary appeals.
- Ensuring infrastructure is provided in the right place at the right time by coordinating Government investment and through the targeting of the £2.3billion Housing Infrastructure Fund.
- Securing timely connections to utilities so that this does not hold up getting homes built.
- Supporting developers to build out more quickly by tackling unnecessary delays caused by planning conditions, facilitating the strategic licensing of protected species and exploring a new approach to how developers contribute to infrastructure.
- Taking steps to address skills shortages by growing the construction workforce.
- Holding developers to account for the delivery of new homes through better and more transparent data and sharper tools to drive up delivery.
- Holding local authorities to account through a new housing delivery test.

Before publishing the White Paper, Sajid Javid, Secretary of State for Communities & Local Government told Sky News that 'ready to go' homes - from factory built to custom-made apartment blocks - will be a key component of the housing white paper in what is expected to be the biggest revival of this type of housing since the post-second world war reconstruction.

He has been on a fact-finding mission in the Netherlands and Germany to examine a new generation of prefabricated homes and he told 'Sky News' that:

*"These are made-to-measure, ready-made, ready-to-go modern stylish homes and if Germany can do it and other countries can do it I think they can be an important part of what we can deliver in the UK. It can really make a difference, especially in terms of speed; so whereas today you can have a plot that is available for maybe a 1,000 homes - it can take years and years for them to be actually homes that people are ready to move into. I think if we can make that much quicker, maybe a couple of years or even less, it can make a dramatic difference."*

Allowing councils to issue 'completion notices' demanding developers start building within two years rather than three, and 'greater transparency' from builders about the pace of developments is a new approach. However, completion notices have been available to councils since 1968, but have been used infrequently to date. It will be interesting to see the extent to which councils will make use of any additional powers.

The construction industry operates on a pan-continental basis with many British construction companies currently dependent on labour from other European Union countries. Brian Berry, Chief Executive of the Federation of Master Builders recently told 'Inside Housing' that the United Kingdom construction industry is heavily reliant on migrant workers from Europe and 12% of British construction workers are of non-United Kingdom origin. He said that it was the government's responsibility to ensure that the 'free-flowing tap of migrant workers from Europe was not turned off.

The White Paper on 'Brexit' proposes bringing the free movement of labour to an end and this would have an adverse effect on the ability of the construction industry to recruit labour. This is clearly linked to the proposal in the Housing White Paper to take steps to address skills shortages by growing the construction workforce. However, it is not clear how this would be done.

### **Diversifying the Market**

The White Paper proposes the following:

- Backing small and medium-sized builders to grow, including through the Home Building Fund.
- Supporting custom-build homes with greater access to land and finance, giving more people more choice over the design of their home.
- Bringing in new contractors through the Accelerated Construction programme that can build homes more quickly than traditional builders.
- Encouraging more institutional investors into housing, including for building more homes for private rent, and encouraging family friendly tenancies.
- Supporting housing associations and local authorities to build more homes.
- Boosting productivity and innovation by encouraging modern methods of construction in house building.

It is not clear how the government intends to support housing associations and local authorities to build more homes as no mention is made of any funding in addition to that which was announced in the Affordable Housing Programme for 2016 to 2021.

Our briefing paper on the Affordable Housing Programme can be freely downloaded from: [http://awics.co.uk/files/module\\_document\\_pdfs/affordable\\_housing\\_programme\\_-\\_briefing\\_paper.1.pdf](http://awics.co.uk/files/module_document_pdfs/affordable_housing_programme_-_briefing_paper.1.pdf)

Similarly, it is not clear how the government intends to 'support' and 'encourage' the private sector. Using the £3billion Home Building Fund to help small independent builders into the market was originally announced at the Conservative Party Conference in October 2016 and no new money is offered in the White Paper.

## Helping People Now

The White Paper proposes the following:

- Continuing to support people to buy their own home – through Help to Buy and Starter Homes.
- Helping households who are priced out of the market to afford a decent home that is right for them through our investment in the Affordable Homes Programme.
- Making renting fairer for tenants.
- Taking action to promote transparency and fairness for the growing number of leaseholders.
- Improving neighbourhoods by continuing to crack down on empty homes, and supporting areas most affected by second homes.
- Encouraging the development of housing that meets the needs of our future population.
- Helping the most vulnerable who need support with their housing, developing a sustainable and workable approach to funding supported housing in the future.
- Doing more to prevent homelessness by supporting households at risk before they reach crisis point as well as reducing rough sleeping.

In April 2017, the Government will introduce the Lifetime ISA. This will support younger adults to save flexibly for the long term, giving them a 25% bonus on up to £4,000 of savings a year. Savings and the bonus can be put towards the purchase of a first home, or withdrawn once they reach the age of sixty.

The White Paper states that the government is committed to building more affordable homes to boost house-building and support households who are locked out of the market. It refers to an extra £1.4billion for the Affordable Homes Programme, taking total investment in this programme to over £7billion to build around 225,000 affordable homes in this Parliament. However, it does not provide any new money.

The proposal that Starter Homes will only be available to households with an income of below £80,000 or £90,000 in London is a new restriction on the availability of the scheme. However, according to 'Inside Housing' this still means that buyers would need loans of 4.6 times their income to buy the most expensive in London. The abandonment of the target of 200,000 starter homes by 2020 could also be seen as a 'retreat' by the government.

Our briefing paper on Starter Homes can be freely downloaded from: <http://awics.co.uk/htrack/awics.co.uk/dynamicdata/data/docs/starter%2520homes%2520-%2520briefing%2520paper.pdf>

The proposal to support councils to make best use of homes that are empty is not new and the White Paper itself acknowledges that these policies are already being used by local councils.

The Consultation on measures to protect leaseholders from unfair and unreasonable abuses was originally announced by Gavin Barwell MP, Minister for Housing, in December 2016.

The proposals for the Lifetime ISA is an expansion of existing policy.

The additional resources for affordable homes were announced as part of the Autumn Statement in November 2016.

Longer tenancies and amended rules on affordable housing for Build to Rent are a new approach by the government. In the past, the government has argued that such measures designed to protect tenants would act as a disincentive for private landlords to provide homes. The proposals to provide additional protection to tenants have been widely welcomed in the sector.

### **Implications for Local Authorities and Housing Associations**

The White Paper says the following about the implications for local authorities:

*“For local authorities, the Government is offering higher fees and new capacity funding to develop planning departments, simplified plan-making, and more funding for infrastructure. We will make it easier for local authorities to take action against those who do not build out once permissions have been granted. We are interested in the scope for bespoke housing deals to make the most of local innovation. In return, the Government asks local authorities to be as ambitious and innovative as possible to get homes built in their area. All local authorities should develop an up-to-date plan with their communities that meets their housing requirement (or if that is not possible, to work with neighbouring authorities to ensure it is met), decide applications for development promptly and ensure the homes they have planned for are built out on time. It is crucial that local authorities hold up their end of the bargain. Where they are not making sufficient progress on producing or reviewing their plans, the Government will intervene. And where the number of homes being built is below expectations, the new housing delivery test will ensure that action is taken.”*

Many local authorities have developed new homes through subsidiary companies and in doing so have protected those homes from the ‘right to buy’. Ministers have previously said that they are unhappy about arrangements that do not include the ‘right to buy’ and the proposal in the White Paper to ensure that the ‘right to buy’ is available to tenants of such homes should not be unexpected.

The White Paper says the following about development by housing associations and other non-profit-making developers such as local authorities:

*“The Government has already announced funding worth a total of £7.1 billion through an expanded and more flexible Affordable Homes Programme. We will provide clarity over future rent levels. In return, we expect them (housing associations and local authorities) to build significantly more affordable homes over the current Parliament.”*

### **Consultation**

The Government is using the Housing White Paper as an opportunity to consult on its proposals to make changes to the planning system. The consultation opened on 7<sup>th</sup> February 2017 and will close on 2<sup>nd</sup> May 2017. The specific questions on which the government is consulting are listed in the Appendix to this briefing paper.

The government is also carrying out a separate consultation on the Build to Rent proposals.



## Response of the Sector

Responding to the publication of the Housing White Paper, Councillor Martin Tett of Buckinghamshire County Council (Conservative) and Housing spokesman at the Local Government Association, said that:

*"This White Paper includes some encouraging signs that government is listening to councils on how to boost housing supply and increase affordability. We are pleased it has taken on board a number of recommendations made in our recent Housing Commission final report.*

*"Communities must have faith that the planning system responds to their aspirations for their local area, rather than simply being driven by national targets. To achieve this, councils must have powers to ensure that new homes are affordable and meet their assessments of local need, are attractive and well-designed, and are supported by the schools, hospitals, roads and other services vital for places to succeed.*

*"All types of homes - including those for affordable and social rent – have to be built to solve our housing crisis and flexibility around starter homes is much-needed recognition of this. It is important that councils have powers to ensure a mix of homes are built, alongside the infrastructure to support strong communities.*

*"Our cities, towns and villages are already saying 'yes' to development as nine in 10 planning applications are approved, but increasingly the homes are not being built. Giving councils the power to force developers to build homes more quickly and to properly fund their planning services are vital for our communities to prosper.*

*"Local government believes even more needs to be done to rapidly build more genuinely affordable homes to help families struggling to meet housing costs, provide homes to rent, reduce homelessness and tackle the housing waiting lists many councils have.*

*"For this to happen, councils desperately need the powers and access to funding to resume their historic role as a major builder of affordable homes. This means being able to borrow to invest in housing and to keep 100 per cent of the receipts from properties sold through Right to Buy to replace homes and reinvest in building more of the genuine affordable homes our communities desperately need."*

Responding to the Housing White Paper, David Orr, Chief Executive at the National Housing Federation said that:

*"We welcome this Government's ambition to tackle our broken housing market. Today's positive announcements – combined with the Autumn Statement's increased flexibility and extra investment – point towards a more comprehensive and strategic framework to fix the housing crisis. However, what the nation needs now is unwavering political will and courage to see this through. The public backs building more homes - it is time to get on with the job.*

*"Land remains a critical barrier; we know that brownfield land alone is not enough. We urgently need to have honest conversations about how greenbelt land is used.*

*"Measures to boost the scale and speed of supply – through planning mechanisms, tougher local targets and relaxed tenure restrictions – are all extremely positive steps towards ending the housing crisis. We look forward to exploring the detail in the paper itself.*

*“Encouraging private landlords to offer tenants more security and choice is absolutely the right thing to do. Housing associations share the Government’s commitment to improving life for all renters – across the private and social sector - and driving up standards, already offering 50,000 homes to rent on the open market.”*

## **Conclusions**

The aspects of the white paper that are especially interesting from a housing and local government perspective include:

- The government acknowledges the need to increase house building and sees the increased homes required being provided mainly by the private sector. It sees the main barriers to this as planning policies and restrictions and a lack of competition in the construction industry and has proposed policies to tackle these issues.
- The requirement for councils to produce housing plans that are designed to deliver the number of new homes that central government calculates are required appears to be a return to the system of housing targets that was used before 2010. The present government had previously seen this as an undemocratic top-down control system.
- Starter homes are only to be made available to households with an income of below £80,000 a year (£90,000 in London). This means that people on average incomes with homes of an average value will still be subsidising people with higher incomes than them to buy houses more valuable than their own.
- While the government has said that it wishes to do more to provide homes for rent and that Councils should play a role in building new homes, its financial support continues to be focused on the private sector. No new money is being made available and the ‘borrowing caps’ that prevent local authorities from making best use of their assets to provide new social and affordable housing remain.
- Clarity over future social rent levels is promised but is not included in the White Paper.

However, it is not clear that the policies included in the White Paper will succeed in producing the ‘step change’ in private sector housing building that the government is seeking. I expect that this would require significant reform to the housing and construction markets rather than the comparatively minor changes focused on planning that are included in the White Paper.

**Adrian Waite**  
**February 2017**

## Appendix – Consultation Questions

### Question 1

Do you agree with the proposals to:

- a) Make clear in the National Planning Policy Framework that the key strategic policies that each local planning authority should maintain are those set out currently at paragraph 156 of the Framework, with an additional requirement to plan for the allocations needed to deliver the area's housing requirement?
- b) Use regulations to allow Spatial Development Strategies to allocate strategic sites, where these strategies require unanimous agreement of the members of the combined authority?
- c) Revise the National Planning Policy Framework to tighten the definition of what evidence is required to support a 'sound' plan?

### Question 2

What changes do you think would support more proportionate consultation and examination procedures for different types of plan and to ensure that different levels of plans work together?

### Question 3

Do you agree with the proposals to:

- a) amend national policy so that local planning authorities are expected to have clear policies for addressing the housing requirements of groups with particular needs, such as older and disabled people?
- b) from early 2018, use a standardised approach to assessing housing requirements as the baseline for five year housing supply calculations and monitoring housing delivery, in the absence of an up-to-date plan?

### Question 4

Do you agree with the proposals to amend the presumption in favour of sustainable development so that:

- a) authorities are expected to have a clear strategy for maximising the use of suitable land in their areas?;
- b) it makes clear that identified development needs should be accommodated unless there are strong reasons for not doing so set out in the NPPF?;
- c) the list of policies which the Government regards as providing reasons to restrict development is limited to those set out currently in footnote 9 of the National Planning Policy Framework (so these are no longer presented as examples), with the addition of Ancient Woodland and aged or veteran trees?
- d) its considerations are re-ordered and numbered, the opening text is simplified and specific references to local plans are removed?

### Question 5

Do you agree that regulations should be amended so that all local planning authorities are able to dispose of land with the benefit of planning consent which they have granted to themselves?

### Question 6

How could land pooling make a more effective contribution to assembling land, and what additional powers or capacity would allow local authorities to play a more active role in land assembly (such as where 'ransom strips' delay or prevent development)?

#### Question 7

Do you agree that national policy should be amended to encourage local planning authorities to consider the social and economic benefits of estate regeneration when preparing their plans and in decisions on applications, and use their planning powers to help deliver estate regeneration to a high standard?

#### Question 8

Do you agree with the proposals to amend the National Planning Policy Framework to:

- a) highlight the opportunities that neighbourhood plans present for identifying and allocating small sites that are suitable for housing?;
- b) encourage local planning authorities to identify opportunities for villages to thrive, especially where this would support services and help meet the authority's housing needs?;
- c) give stronger support for 'rural exception' sites – to make clear that these should be considered positively where they can contribute to meeting identified local housing needs, even if this relies on an element of general market housing to ensure that homes are genuinely affordable for local people?;
- d) make clear that on top of the allowance made for windfall sites, at least 10% of sites allocated for residential development in local plans should be sites of half a hectare or less?;
- e) expect local planning authorities to work with developers to encourage the sub-division of large sites?; and
- f) encourage greater use of Local Development Orders and area-wide design codes so that small sites may be brought forward for development more quickly?.

#### Question 9

How could streamlined planning procedures support innovation and high-quality development in new garden towns and villages?

#### Question 10

Do you agree with the proposals to amend the National Planning Policy Framework to make clear that:

- a) authorities should amend Green Belt boundaries only when they can demonstrate that they have examined fully all other reasonable options for meeting their identified development requirements?
- b) where land is removed from the Green Belt, local policies should require compensatory improvements to the environmental quality or accessibility of remaining Green Belt land?
- c) appropriate facilities for existing cemeteries should not to be regarded as 'inappropriate development' in the Green Belt?
- d) development brought forward under a Neighbourhood Development Order should not be regarded as inappropriate in the Green Belt, provided it preserves openness and does not conflict with the purposes of the Green Belt?
- e) where a local or strategic plan has demonstrated the need for Green Belt boundaries to be amended, the detailed boundary may be determined through a neighbourhood plan (or plans) for the area in question?
- f) when carrying out a Green Belt review, local planning authorities should look first at using any Green Belt land which has been previously developed and/or which surrounds transport hubs?

#### Question 11

Are there particular options for accommodating development that national policy should expect authorities to have explored fully before Green Belt boundaries are amended, in addition to the ones set out above?

### Question 12

Do you agree with the proposals to amend the National Planning Policy Framework to:

- a) indicate that local planning authorities should provide neighbourhood planning groups with a housing requirement figure, where this is sought?;
- b) make clear that local and neighbourhood plans (at the most appropriate level) and more detailed development plan documents (such as action area plans) are expected to set out clear design expectations; and that visual tools such as design codes can help provide a clear basis for making decisions on development proposals?;
- c) emphasise the importance of early preapplication discussions between applicants, authorities and the local community about design and the types of homes to be provided?;
- d) makes clear that design should not be used as a valid reason to object to development where it accords with clear design expectations set out in statutory plans?; and
- e) recognise the value of using a widely accepted design standard, such as Building for Life, in shaping and assessing basic design principles – and make clear that this should be reflected in plans and given weight in the planning process?

### Question 13

Do you agree with the proposals to amend national policy to make clear that plans and individual development proposals should:

- a) make efficient use of land and avoid building homes at low densities where there is a shortage of land for meeting identified housing needs?;
- b) address the particular scope for higher density housing in urban locations that are well served by public transport, that provide opportunities to replace low-density uses in areas of high housing demand, or which offer scope to extend buildings upwards in urban areas?;
- c) ensure that in doing so the density and form of development reflect the character, accessibility and infrastructure capacity of an area, and the nature of local housing needs?;
- d) take a flexible approach in adopting and applying policy and guidance that could inhibit these objectives in particular circumstances, such as open space provision in areas with good access to facilities nearby?

### Question 14

In what types of location would indicative minimum density standards be helpful, and what should those standards be?

### Question 15

What are your views on the potential for delivering additional homes through more intensive use of existing public sector sites, or in urban locations more generally, and how this can best be supported through planning (using tools such as policy, local development orders, and permitted development rights)?

### Question 16

Do you agree that:

- a) where local planning authorities wish to agree their housing land supply for a one year period, national policy should require those authorities to maintain a 10% buffer on their 5 year housing land supply?;
- b) the Planning Inspectorate should consider and agree an authority's assessment of its housing supply for the purpose of this policy?
- c) if so, should the Inspectorate's consideration focus on whether the approach pursued by the authority in establishing the land supply position is robust, or should the Inspectorate make an assessment of the supply figure?

#### Question 17

In taking forward the protection for neighbourhood plans as set out in the Written Ministerial Statement of 12 December 2016 into the revised NPPF, do you agree that it should include the following amendments:

- a) a requirement for the neighbourhood plan to meet its share of local housing need?;
- b) that it is subject to the local planning authority being able to demonstrate through the housing delivery test that, from 2020, delivery has been over 65% (25% in 2018; 45% in 2019) for the wider authority area?
- c) should it remain a requirement to have site allocations in the plan or should the protection apply as long as housing supply policies will meet their share of local housing need?

#### Question 18

What are your views on the merits of introducing a fee for making a planning appeal? We would welcome views on:

- a) how the fee could be designed in such a way that it did not discourage developers, particularly smaller and medium sized firms, from bringing forward legitimate appeals;
- b) the level of the fee and whether it could be refunded in certain circumstances, such as when an appeal is successful; and
- c) whether there could be lower fees for less complex cases.

#### Question 19

Do you agree with the proposal to amend national policy so that local planning authorities are expected to have planning policies setting out how high quality digital infrastructure will be delivered in their area, and accessible from a range of providers?

#### Question 20

Do you agree with the proposals to amend national policy so that:

- the status of endorsed recommendations of the National Infrastructure Commission is made clear?; and
- authorities are expected to identify the additional development opportunities which strategic infrastructure improvements offer for making additional land available for housing?

#### Question 21

Do you agree that:

- a) the planning application form should be amended to include a request for the estimated start date and build out rate for proposals for housing?
- b) that developers should be required to provide local authorities with basic information (in terms of actual and projected build out) on progress in delivering the permitted number of homes, after planning permission has been granted?
- c) the basic information (above) should be published as part of Authority Monitoring Reports?
- d) that large housebuilders should be required to provide aggregate information on build out rates?

#### Question 22

Do you agree that the realistic prospect that housing will be built on a site should be taken into account in the determination of planning applications for housing on sites where there is evidence of non-implementation of earlier permissions for housing development?

#### Question 23

We would welcome views on whether an applicant's track record of delivering previous, similar housing schemes should be taken into account by local authorities when determining planning applications for housing development.

Question 24

If this proposal were taken forward, do you agree that the track record of an applicant should only be taken into account when considering proposals for large scale sites, so as not to deter new entrants to the market?

Question 25

What are your views on whether local authorities should be encouraged to shorten the timescales for developers to implement a permission for housing development from three years to two years, except where a shorter timescale could hinder the viability or deliverability of a scheme? We would particularly welcome views on what such a change would mean for SME developers.

Question 26

Do you agree with the proposals to amend legislation to simplify and speed up the process of serving a completion notice by removing the requirement for the Secretary of State to confirm a completion notice before it can take effect?

Question 27

What are your views on whether we should allow local authorities to serve a completion notice on a site before the commencement deadline has elapsed, but only where works have begun? What impact do you think this will have on lenders' willingness to lend to developers?

Question 28

Do you agree that for the purposes of introducing a housing delivery test, national guidance should make clear that:

- a) The baseline for assessing housing delivery should be a local planning authority's annual housing requirement where this is set out in an up-to-date plan?
- b) The baseline where no local plan is in place should be the published household projections until 2018/19, with the new standard methodology for assessing housing requirements providing the baseline thereafter?
- c) Net annual housing additions should be used to measure housing delivery? d) Delivery will be assessed over a rolling three year period, starting with 2014/15 – 2016/17?

Question 29

Do you agree that the consequences for under delivery should be:

- a) From November 2017, an expectation that local planning authorities prepare an action plan where delivery falls below 95% of the authority's annual housing requirement?;
- b) From November 2017, a 20% buffer on top of the requirement to maintain a five year housing land supply where delivery falls below 85%?;
- c) From November 2018, application of the presumption in favour of sustainable development where delivery falls below 25%?;
- d) From November 2019, application of the presumption in favour of sustainable development where delivery falls below 45%?; and
- e) From November 2020, application of the presumption in favour of sustainable development where delivery falls below 65%?

Question 30

What support would be most helpful to local planning authorities in increasing housing delivery in their areas?

Question 31

Do you agree with our proposals to:

- a) amend national policy to revise the definition of affordable housing as set out in Box 4?;

- b) introduce an income cap for starter homes?;
- c) incorporate a definition of affordable private rent housing?;
- d) allow for a transitional period that aligns with other proposals in the White Paper (April 2018)?

Question 32

Do you agree that:

- a) national planning policy should expect local planning authorities to seek a minimum of 10% of all homes on individual sites for affordable home ownership products?
- b) that this policy should only apply to developments of over 10 units or 0.5ha?

Question 33

Should any particular types of residential development be excluded from this policy?

Question 34

Do you agree with the proposals to amend national policy to make clear that the reference to the three dimensions of sustainable development, together with the core planning principles and policies at paragraphs 18-219 of the National Planning Policy Framework, together constitute the Government's view of what sustainable development means for the planning system in England?

Question 35

Do you agree with the proposals to amend national policy to:

- a) Amend the list of climate change factors to be considered during plan-making, to include reference to rising temperatures?
- b) Make clear that local planning policies should support measures for the future resilience of communities and infrastructure to climate change?

Question 36

Do you agree with these proposals to clarify flood risk policy in the National Planning Policy Framework?

Question 37

Do you agree with the proposal to amend national policy to emphasise that planning policies and decisions should take account of existing businesses when locating new development nearby and, where necessary, to mitigate the impact of noise and other potential nuisances arising from existing development?

Question 38

Do you agree that in incorporating the Written Ministerial Statement on wind energy development into paragraph 98 of the National Planning Policy Framework, no transition period should be included?



## **AWICS Seminars**

Our next seminars are as follows:

### **All You Want to know about Service Charges in Social Housing**

- London - 15th February 2017
- Leeds - 17th May 2017

Service charges are an integral part of landlords' work in financing value for money services and sustaining customer satisfaction. They have always been relatively complex but with increased financial challenges and legal and financial complexity there is an increased need to understand how service charging works. This seminar gives an introduction and overview to this important subject and is fully up to date with all developments. For more information please click here: <http://www.awics.co.uk/schs2017.asp>

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- London - 8th March 2017
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- London - 27th September 2017

This series of seminars is designed to give an introduction and overview to this important subject and is fully up to date with all developments. It explains how the housing revenue account, housing general fund and housing capital programme works and considers the threats and opportunities facing local authority housing especially in view of the government's recent policy initiatives. For further information or to make a booking please click here: <http://www.awics.co.uk/lahfin17.asp>

### **The Future Funding of Supported Housing**

- London – 4<sup>th</sup> April 2017
- Leeds – 3<sup>rd</sup> May 2017

The Government is planning to change the way in which Supported Housing is funded with housing benefit and universal credit supporting only core housing costs and housing support services being funded separately. At present, tenants are eligible to claim housing benefit, but eligibility is to be capped at local housing allowance rates from 2019 and the same approach is to be taken with Universal Credit. At the same time, new locally administered schemes will be introduced to 'top-up' the funding that is required to fund housing support. This seminar will explain and examine the government's proposals for the future funding of supported housing and their implications for local authorities, housing associations and their tenants. This will include local authorities in their commissioning and provider roles. For further information or to make a booking please click here: <http://www.awics.co.uk/supptdhsg.asp>

## About 'AWICS'

'AWICS' is a management consultancy and training company. We specialise in providing support in finance and management to clients in local government and housing in England, Scotland and Wales. We are well known for our ability to analyse and explain complex financial and management issues clearly.

Our mission statement is 'Independence, Integrity, Value'. We therefore provide support to clients from an independent standpoint that is designed to help the client to achieve their objectives. We are passionate about working with the utmost integrity. We believe that we offer the best value for money that is available today!

For more information about our services and us please visit our website at [www.awics.co.uk](http://www.awics.co.uk) or contact Adrian Waite at [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk).

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