

The Housing White Paper

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Overview and Scrutiny Committee
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‘Fixing our broken housing market’ – The Housing White Paper



“We need to build many more houses, of the type people want to live in, in the places they want to live. To do so requires a comprehensive approach that tackles failure at every point in the system.”

The Rt Hon Theresa May MP

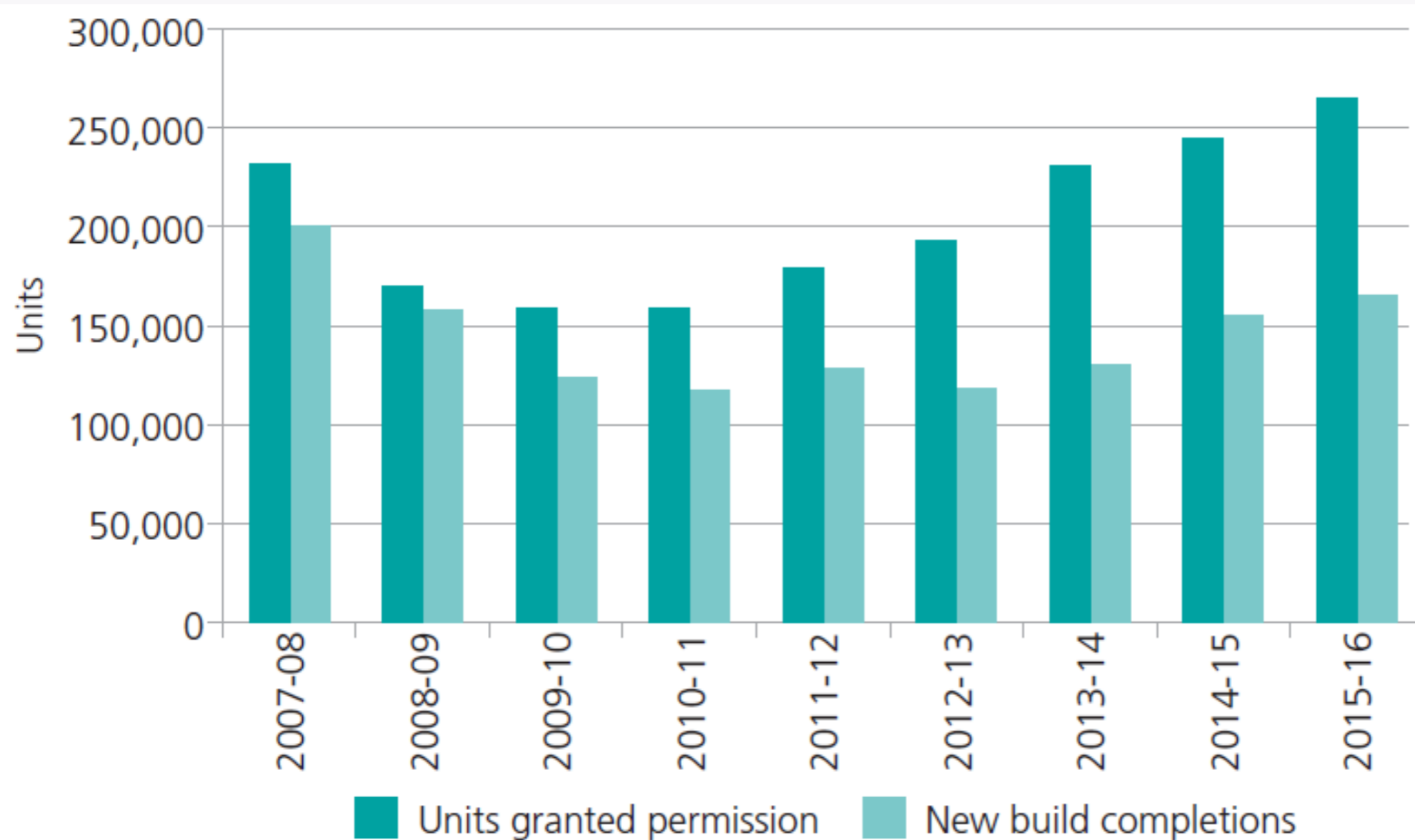
Background



- Since the 1970s an average of 160,000 new homes built each year
- 225,000-275,000 homes needed a year to keep up with population growth and tackle previous under-supply
- Since 1998, ratio of average house prices to average earnings has more than doubled
- Falling levels of home ownership
- Increasing rents – average couple in private rented sector now spend roughly half their salary on rent

Background

- Rising permissions coming out of the recession, but housing completions yet to catch up



Source: Glenigan planning permissions data; DCLG Live Table 120

White Paper - main themes



- 1. Planning for the right homes in the right places** – local plans, neighbourhood plans, housing delivery test
- 2. Building homes faster** – implementation of permissions
- 3. Diversifying the market** – encouraging small- and medium-sized house-building firms
- 4. Helping people now** – Help to Buy, Starter Homes
 - 38 consultation questions – questions on Chapters 1 and 2 only
 - Further consultations on detailed proposals to follow

Key planning-related proposals – Chapters 1 and 2

Plan-making



- Up-to-date plans – regulations will introduce requirement for a review every 5 years
- Amending ‘tests of soundness’ set out in national policy – making evidence and examination procedures more proportionate
- Firmer expectation in national policy that development needs should be met unless there are “strong reasons” to restrict development

Key planning-related proposals – Chapters 1 and 2

Plan-making

- Strengthened requirements in national policy to plan for the housing needs of the elderly and disabled people
- Policies in Local Plans to bring forward more smaller sites - 0.5 hectares and under (around 15 dwellings)
- Local authorities to work with landowners to divide larger sites into smaller parcels to encourage competition between house-builders
- New standard approach to assessing the need for housing through Strategic Housing Market Assessments (SHMAs)
- Amended definition of Affordable Housing
- Garden Towns and Villages
- Custom and Self build housing

Key planning-related proposals – Chapters 1 and 2

Increased scrutiny



- Amendments to national policy to allow local authorities to ‘fix’ their five-year housing land supply on an annual basis through the Planning Inspectorate (PINS)
- **New Housing Delivery Test** to be introduced:
 - Assesses numbers of homes built over previous 3 years against housing targets in Local Plan
 - Penalties for not meeting test - policies could be found out-of-date, presumption in favour...

Key planning-related proposals – Chapters 1 and 2

Neighbourhood Plans

- Clarification of status of neighbourhood plans where there is no five-year housing land supply in place

Other proposals

- Potential amendments to Regulations to allow local authorities to dispose of land that they have granted planning permission for
- Potential for charging fees for planning appeals
- Renewed focus on delivering housing on brownfield land
- Questions about introducing minimum density requirements for new housing development
- Review of Nationally Described Space Standards (minimum space standards for new development) – support for ‘compact living models’

Key planning-related proposals – Chapters 1 and 2

Implementing permissions



- Potential for local authorities to consider track record of developer when granting planning permission
- Time-scales for permissions to be reduced from 3 to 2 years, except where shorter timescale could hinder deliverability
- Proposal to simplify and speed up process of serving Completion Notices on stalled sites
- Agreement of pre-commencement conditions

Next steps



- Consultation runs until **2 May 2017**
- 38 set questions - on certain proposals only (Chapters 1 and 2)
- Further consultations to come forward as Government develops more detailed proposals
- Officers preparing draft responses to 38 detailed questions – to be agreed with Cabinet Members for District Economy and Housing and submitted to DCLG by deadline

Any comments or questions?