

Housing White Paper Driving the Message Home Local Authorities must be more proactive in getting homes built

The Government's long-awaited White Paper on Housing, Fixing our Broken Housing Market, was published on 7th February, setting out a range of measures to enable more new homes to be built.

The White Paper is a consultation document which puts forward the Government's proposals and explains the reasoning behind them. Many of the proposals are in outline and without detail. The consultation runs for 12 weeks and closes on 2nd May.

We want to help you understand the proposals and get you thinking about your consultation response.

The document is structured to reflect the four steps identified by the Government to achieve its aims:

1. Planning for the right homes in the right places
2. Building homes faster
3. Diversifying the housing market
4. Helping people now

The White Paper summarises the Government's proposals for local authorities as follows:

"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".

For many of our colleagues working within Local Planning Authorities (LPAs), (and the wonderful hard working members who support what they do), either in development management or planning policy the obvious question is, "So what's new?".

Whilst every effort has been made to ensure that the content of this newsletter is up-to-date and accurate, no warranty is given to that effect and nplaw does not assume responsibility for its accuracy and correctness. The newsletter summarises latest legal developments but is no substitute for specific legal advice after consideration of all material facts and circumstances.

We know that you are as frustrated as us in knowing that much of what you do is overruled or misunderstood or ignored. But **we think that here are the seeds of meaningful change and you are being given permission to be more creative and proactive.** We think that finally the Government is likely to give you a hearing and to help you tackle the real issues behind a lack of housing, not least, the near monopoly that the volume house builders have over the market and the land banking that has gone on for far too long.

The document runs to 104 pages. Here are some of the proposals that stand out, both useful and not so useful:

Innovation in land assembly and stalled sites

LAs to make more active use of **CPOs** including for land assembly, empty homes and **stalled housing sites.**

LAs should have additional powers to **assist in land assembly**, including an ability to remove the effect of ransom strips and assist with the subdivision of sites.

Land **held by local authorities (LAs) for planning purposes** could be disposed of at less than best consideration.

LPAs which own land on which they have granted themselves planning permission **should be able to dispose of the land with the benefit of the planning permission.**

The introduction of new New Town Development Corporations.

The provision of market and Affordable Housing

There will be a **new definition of affordable housing** in the NPPF glossary.

5 year housing land supply - change to the methodology for calculating the 5 year housing land supply, creating a more standardised methodology.

The position to be agreed annually and fixed for the year.

To involve the Inspectorate.

Housing delivery test, from November 2017 if certain proportions of housing supply requirements have not been met there will be penalties on LPAs such as the need to add buffers to supply calculations. Housing delivery to be measured over a rolling three year average of net additional dwellings.

Mandatory requirement for 20% **starter homes** has been dropped, but likely to be replaced by a requirement that a minimum of 10% of units on housing sites to be affordable home ownership units.

Owners of **starter homes** will be required to pay back a percentage of the discount on purchase if selling within a period of 15 years of first purchase.

Starter homes to be acceptable on **rural exceptions sites.**

Summer 2017 the Homes and Communities Agency will be renamed **Homes England.**

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Planning Policy

There will be consultation on ways of making **plan making easier**.

10% at least, of **allocated sites** should be small sites.

Local Plans to explain how LPA will provide for the needs of groups such as the **older and disabled**.

LPAs will be required to give each **Neighbourhood Plan** group **housing supply figures** to use in the plan.

The setting out of clear **design** principles and standards in Neighbourhood Plans or in supplementary planning guidance.

Neighbourhood Plans will be a vehicle for **identifying sites for housing development**.

Development Management

Increase in **planning fees** of 20% from July and possible fees for planning appeals provided income is reinvested in planning departments

Small sites and windfall sites which are suitable for development should be supported by LPAs in all types of area.

Building at **higher densities** wherever possible will be encouraged.

Remove the need for site specific licensing of management of **Great Crested Newts** – by introducing strategic management into Local Plans.

Reduce from 3 to 2 years the **time permitted to implement a planning permission**.

Simplification of the **completion notice procedure**.

CIL and s106 Agreements

Autumn 2017 Government will announce its plans for changes to CIL and s106 agreements possibly to a hybrid system requiring small CIL payments from most development supported by s106 agreements for larger sites.

Consultation proposals for changes to the NPPF

Apart from changes consequent on other proposed changes including those above, the following:

- Change to wording of **paragraph 14 (golden thread of sustainability)**
- Certain WMS (**written ministerial statements**) which have effectively amended the NPPF will be incorporated into the NPPF
- A 'de facto' presumption in favour of housing on suitable brownfield land
- Maintaining protection for the green belt, which can only be built on "in exceptional circumstances".

Other measures include:

- Making **Starter Homes**, which will cost up to £450,000 in London and £250,000 outside, only available to first-time buyers with an income of less than £80,000 or £90,000 in London
- A **Lifetime ISA** to help first-time buyers to save for a deposit
- Consulting on measures **to tackle unfair abuses of leasehold residential properties**
- Using a £3bn fund to help smaller building firms challenge major developers, including support for off-site construction, where parts of buildings are assembled in a factory.

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We think the last measure – the £3bn fund to help smaller building firms challenge major developers is very significant especially when combined with some of the other proposals such as requiring 10% of Local Plan allocations to be on smaller sites and requesting LPAs to do more to progress stalled sites or release hindrances to development such as ransom strips.

This really is a drive to provide more homes and to get local authorities, housing associations and small and medium size builders building again.

We are presenting a seminar on 13th March on the White Paper to which you are cordially invited.

We are also presenting a seminar on 24 April which will provide you with a general update on planning law and practice relating to planning the environment and compulsory purchase .

Invitations to both seminars will be sent to you shortly.

nplaw is a local authority legal practice, working for the public sector throughout England and Wales.

We have an established and well regarded planning and environmental law team, with experts at every level and dealing with all aspects of the law and practice. We also have a specialist Compulsory Purchase Order consultancy which deals with a range of CPOs from individual homes to large schemes for regeneration, covering housing, planning, highways and other CPOs.

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