

HOUSING WHITE PAPER PUBLISHED BY DCLG – 7 February 2017

The Government has today published its Housing White Paper “*Fixing Our Broken Housing Market*”. It will be recalled that in his speech to the party conference in October 2016, the Secretary of State, Sajid Javid, called for “unprecedented steps” to increase the delivery of new homes – his “number one priority” and a “moral duty”.

It is to be hoped that it does not go the way of Jim Hacker’s first White Paper:

Bernard	But I thought we were calling the White Paper “Open Government”?
Humphrey	Yes, well, always dispose of the difficult bit in the title. It does less harm there than in the text.
Sir Arnold	It's the law of inverse relevance. The less you intend to do about something, the more you have to keep talking about it.

The White Paper has a Foreword from the Prime Minister. Her message is:

- Housing is increasingly unaffordable.
- The starting point is to build more homes. This will slow the rise in housing costs.
- We need more land for homes. All areas need a plan to deal the housing pressures they face and communities need a say in the homes that are built. We require all areas to have an up-to-date plan in place and ensure that communities are comfortable with how new homes look.
- Homes must be built quickly once planning permission is granted
- There is a need to diversify the housing market – small builders, Housing Associations and LAs are to be encouraged to build more.

In his Foreword, the Secretary of State says he wants to “seek to build a consensus for a new, positive, mindset to house building.” In his oral statement to the House of Commons he emphasised that “the root cause is simple – for far too long we have not built enough houses”. We need between 225,000 to 275,000 every year and “we have to start right now”. LAs must not be allowed to “duck the difficult decisions”.

The White Paper includes a consultation Annex. Responses are required by 23.45 hrs on 2 May 2017 (12 weeks).

The White Paper sets out the respects in which the “*housing market*” is said to be “*broken*”.

“The problem is threefold”:

- “not enough local authorities planning for the new homes they need;”
 - Decision-makers’ response to public attitudes
 - Some duck difficult decisions
 - Plan making is slow, expensive and bureaucratic

- Plans don't encourage a sufficiently wide range of sites to come forward
- “housebuilding that is simply too slow”. Causes include:
 - Land-banking permissions waiting for prices to rise
 - Financial risk to commercial developers
 - Need to invest in innovative methods of construction
- “a construction industry that is too reliant on a small number of big players.”

The White Paper sets out what the government regards as being the solutions. “Solving [the problem] requires a radical re-think of our whole approach to home building”:

- Plan for the right homes in the right places
 - Consult on a new standard methodology for calculating OAN and encourage (not require?) councils to plan on this basis.
 - Insist every area has an up-to-date plan. Help LAs to do this; intervene if they don't.
 - Review LPs at least every 5 years.
 - The Duty to Cooperate will require a Statement of Common Ground / Common Purpose.
 - No requirement for a single local plan; encourage joint / strategic level planning.
 - Amend the tests of soundness (“an” appropriate strategy not “the most” appropriate strategy).
 - Require only a proportionate evidence base, consultation process and independent examination.
 - Amend the NPPF to include a standard methodology for determining Objectively Assessed Need; LPAs will have to justify not using it.
 - The new OAN will also be used as the ‘requirement’ figure in 5YS calculations from April 2018 (with a 10% buffer)
 - Annual 5YS statements to be examined for robustness by PINS
 - The policy requirement to meet the needs of the elderly to be strengthened.
 - Amend the NPPF so that maximum use made of brownfield land.
 - Build more homes on public sector land; LA to be allowed to sell land with the benefit of planning permission; encourage estate regeneration.
 - Requirement for mix of sites suitable for small builders (including sub-dividing larger sites).
 - Neighbourhood Plans (NP) to provide sites for local people.
 - Encourage new garden villages
 - Green belt to be used as a last resort (once LA have demonstrated that they have examined fully all reasonable options for meeting their identified development requirements) and the impact is to be off-set by compensatory measures.
 - Use NP to boost housing numbers
 - Density – avoid low density; higher-density in urban areas
- Build homes faster
 - Slow building lessens LAs ability to demonstrate a 5YS and hence undermines adopted plans
 - Causes identified:
 - LA capacity to determine applications

- Too many appeals (ie too many refusals?) and arguments over 5YS
 - Time to discharge conditions / address obligations
 - Lack of infrastructure
 - Securing necessary utility connections
 - Excessive bureaucracy in protecting species (eg GCN)
 - Construction sector skills shortages
 - Solutions
 - 5YS to be fixed once and for all for 12 months
 - Support for areas with a NP
 - Ensure financial stability of planning departments
 - Increase planning fees by 20%, and another 20% if LA is delivering as planned.
 - Deter appeals by imposing a fee (refundable)
 - Housing Infrastructure Fund targeted to areas of need
 - Identify opportunity for housing unlocked by NSIPs
 - Digital infrastructure
 - Better planning for utilities
 - Strategic approach to protected species (Natural England / Woking BC model)
 - Reform to CIL/s106
 - Industry to play its part in skills shortages (eg apprenticeships); government to help.
 - Greater transparency on build out rates
 - Require earlier start on site
 - Simplify and speed up completion notice process
 - LAs to think about CPO to enable delivery
 - LAs to be subject to 'housing delivery test' and remedial action plan
 - LAs not delivering as per their trajectory by a certain % then the para 14 presumption applies
- Diversify the housing market
 - Open it up to smaller builders and those who embrace innovative and efficient methods.
 - Access to Home Building Fund for short-term loan funding
 - Accelerated Construction programme on public sector land
 - Changes to NPPF so LAs know when they should be supporting private sector build to rent (including affordable)
 - Encourage custom built homes
 - Encourage institutional investors into housing – building finance, rental and shared ownership
 - Support for Housing Associations and LA to build more homes
 - Changes to HCA (to be relaunched as Homes England)
 - Innovation in construction methods (and access to finance for them)

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