Speeding Up Build Out Working Paper[1]

Questions

a. Do you agree with the evidence base and theory we have set out on build out rates?

Whilst we do not disagree with your evidence base and theory, we believe that, when the digitised data set out in the Implementing measures to improve Build Out transparency: Technical consultation[2] becomes available, there will be more robust information on which to base conclusions about build out rates (and slow build out in particular).

b. How could we go further to support models of housebuilding which build faster, such as small sites, strategically master-planned and mixed tenure?

The information set out in this paper demonstrates (and, we agree, totally understandably) that market developers operate to maximise profits and dividends, not to deliver housing need. With this in mind, we believe the government should focus on the real housing crisis - the lack of genuinely affordable homes (social housing).

Given those commercial constraints and the CMA's conclusion, it would be beneficial to remove the market housing target (which just creates 'noise' in the system) and introduce a clear target for each district for the supply of social housing, which should be accompanied by sufficient government funding to drive the required developments to meet that need.

This approach would enable SME developers to contribute more fully to housing delivery (as recognised in the paper, market developers will build out at a rate that meets their commercial objectives).

LPAs should be required to work with their communities to update their brownfield registers and identify sites for SME/mixed tenure development in their areas. We note, however, that brownfield registers can be too prescriptive. They may not, for example, identify or include sites which are either small in scale or may have some hurdle to delivery. In many cases, these issues will be surmountable. We believe that introducing something more akin to the old Urban Capacity Studies would help identify sites that may be of interest to SMEs.

c. For mixed tenure, what would you consider to be an appropriate threshold level?

With an appropriate level of government funding to support the development of social housing, there would not be a need for a threshold. If there is a preference for provision of a threshold, only 'small' sites should be omitted from the requirement to provide mixed tenure.

In any event threshold levels may need to be considered in a locational and nuanced context. As an example, an application for 10 dwellings in a national park, or another sensitive location, should be considered major in terms of impact.

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[1] https://www.gov.uk/government/publications/planning-reform-working-paper-speeding-up-build-out/planning-reform-working-paper-speeding-up-build-out

[2] https://www.gov.uk/government/consultations/implementing-measures-to-improve-build-out-transparency-technical-consultation/technical-consultation-on-implementing-measures-to-improve-build-out-transparency

d. Do you have any views on how the proposed CPO measures would work best in practice?

Others will be better informed to consider this question.

e. How should MHCLG guide local authorities and developers towards reasonable build out schedules (noting that ultimately this will be negotiated locally)?

We recognise that developers will promote build out schedules that reflect their assumed absorption rate. This may not be the rate that local authorities need to meet their 5 year housing supply. MHCLG should provide some guidance on resolving this conflict and ensure that LPAs are not penalised as a result of slow delivery by developers.

f. What are the right set of exemptions for external factors that impact build out rates? Should this include economic downturns which reduce sales rates, or does that mean that payments would be too weak to induce the shift toward the partnerships business models we want to see?

If the reporting regime includes the assumptions made by developers, there would be no requirement for exemptions.

g. For the Delayed Homes Penalty, do you agree with the intention to use it to incentivise the shift towards higher build out models of housebuilding?

Yes.

h. How should the Penalty be calculated? What are the strengths and weaknesses of using a percentage of house price, or reference to local council tax rates? What information would local authorities require?

Others will be better informed to consider this question.

i. Are there wider options you think worth worthy of consideration that could help speed up build out of housing?

As set out in the Homes for Everyone Report[3], the speed of build out would be substantially increased by renovating and bringing back into use empty or derelict homes, focusing on brownfield development (which would have so many additional benefits, including the regeneration of neglected areas), and consider unused commercial properties that could be repurposed for residential development. Please also note our response to question b in relation to the benefit of urban capacity studies (rather than brownfield registers) to support increased SME delivery.

j. Do you anticipate any environmental impacts from these proposals that the government must consider and the Environmental Principles Policy Statement?

Policies focused on sites that already have planning permission are unlikely to generate any additional environmental impacts that add to those already identified within the planning process.

[3] https://homesforeveryone.org/Homes-For-Everyone-Report.pdf

Policy guidance should, in any event, reflect the need to minimise risk to our natural capital assets from development.

This is one of a number of Planning Reform Working Papers and Consultations, amounting to major changes overall. Their cumulative impact should be considered, both in terms of the Environmental Principles Policy Statement and the Public Sector Equality Duty.

k. Do you anticipate these proposals giving rise to any impacts on people who share a relevant protected characteristic, as defined by the Equality Act 2010, that the government must consider under the Public Sector Equality Duty?

If policy were to focus on speeding up social housing developments, there would be huge benefits for those with protected characteristics, for the most vulnerable in our society and would significantly reduce the inherent inequalities of homelessness and poverty.