

Housing White Paper – Local Government Association consultation response

May 2017

The Local Government Association (LGA) is the national voice of local government. We work with councils to support, promote and improve local government. We are a politically-led, cross party organisation which works on behalf of councils to ensure local government has a strong, credible voice with national government. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems.

Key messages

- The Housing White Paper presents an important shift in the government's housing strategy on a number of fronts and goes some way to recognising the important role that local government can play in solving our housing crisis.
- Local government's ambitions for the future of housing and its role in solving our housing crisis are much greater than the measures set out in the White Paper. In order to succeed, local government must be enabled to deliver and help deliver *additional* housing that is genuinely affordable, reduces homelessness, and achieves wider outcomes for their local economies and communities.
- The White Paper focuses on further changes to the planning system in efforts to increase supply. It must be acknowledged that, since the National Policy Framework was introduced, both local government's planning powers and funding have been reduced significantly. Though planning fee uplift is welcome, the White Paper does not sufficiently address these two fundamental issues.
- We welcome the proposals in the consultation that could encourage and enable wider strategic planning where there is unanimous local agreement, and avoid the need for policies to be duplicated in individual local plans.
- Councils should have full flexibility to determine any site threshold and proportion of affordable home ownership units that are required on sites based on their objectively assessed need and taking into account site viability.
- Councils recognise the value that standardised assessment models can bring in reducing uncertainty and increasing data transparency. Any standardised approach to assessing housing requirements needs to genuinely reflect local conditions and capture the complexities of different housing markets.
- The consultation proposals seem to rely on tightening accountability on local planning authorities. This will not deliver significantly more homes without being accompanied by tools and powers for councils that can genuinely affect change.

Submission

Introduction

The LGA's Housing Commission report *Building our homes, communities and future* set out an ambitious role for local government in developing places where people want to live, delivering the homes they need, and the central role of housing in resolving wider public service challenges¹.

We welcome the publication of the White Paper as an opportunity to take forward these proposals. Behind the headline of a broken market, there are many significant variations in local housing pressures. Issues of affordability and supply are affecting large parts of London and the South East, other areas of the country face significant challenges in bringing investment to places where house prices and rents are low, but yet the existing housing stock does not meet needs.

The solutions to these issues can be found in local leadership, drawing on the knowledge and experience of councils and their ability to look at housing strategically, as part of a wider set of community concerns that include quality of life and opportunities for education, employment and improved health. In our view local government is uniquely placed to bring together the development of new housing as central to a strategy for building prosperous places that are best able to help people live happy and healthy lives.

The Housing White Paper proposes a number of options that can help councils achieve these aims. Importantly, the government recognises that we need housing of all tenures and has supported this with increased financial support and flexibility for affordable housing. The affordability crisis is spreading and deepening as a result of rising rents, stagnating incomes and welfare reforms. The LGA would have liked to have seen proposals go much further in pursuing policies that enable the renaissance in genuinely affordable housing delivery by councils.

The LGA has long argued that the speed of housing development is dependent on the availability of finance and housing prices, and is not held in check by the planning system which is working with communities to approve record numbers of permissions. It is critical that communities continue to have a say on development in their area, and that assessments of local housing need genuinely reflect local conditions. On balance, the white paper's strategy seems to rely on tightening accountability on local planning authorities while limiting their tools to affect change, and this while landowner and developer accountability remains marginal.

The role of strategic planning is recognised and we are pleased that government has responded to our call for planning services to be better resourced, though the proposed uplift is more than offset by New Homes Bonus reductions. Ultimately, it must be acknowledged that, since the National Policy Framework was introduced, both local government's (and their communities') planning powers and funding have been reduced significantly, and during a period of constant policy uncertainty. The white paper does not sufficiently address these three fundamental issues.

Councils want genuine and productive partnerships with developers, land owners and communities that succeed in delivering well-designed sustainable homes built in the right places with the supporting local services and infrastructure. There are encouraging signs in the white paper, for instance around opening a debate on land value capture, but as a country we will need to be much more ambitious to succeed in making this happen.

¹ [LGA Housing Commission final report](#)

Local government's ambitions for housing

Local government wants to help deliver additional homes. As builders, as planning authorities and place shapers, as agencies of growth and infrastructure, as guardians for the most vulnerable and homeless, and as locally democratic organisations responsible to communities – councils must be at the heart of strategies to resolve our housing crisis.

Fixing our broken housing market presents an important shift in the government's housing strategy in a number of ways, but this consultation is not asking for views on the majority of matters important for delivering additional homes that meet the needs of communities.

Before responding to specific planning questions we have set out some of local government's key ambitions for the future of housing and councils' role in delivering housing in ways that achieve much wider outcomes for economies and communities beyond building more homes.

Building additional homes that are affordable, boost the economy and sustainably reduce housing benefit spending

There is a crisis because housing is unavailable, unaffordable and not appropriate for everyone that needs it. The housing crisis is having a significant impact on our communities and economies; forcing difficult choices on families, distorting places, and hampering growth. The ending of an assured shorthold tenancy is now the greatest cause of homelessness, which is rising together with council expenditure on expensive temporary accommodation.

The housing challenges and their solutions are complex, interconnected and vary around the country. Private developers and housing associations build the majority of homes, but not the number we need, and not always the tenure we need, and not always in the places we need. Local government must be enabled to build more *additional* homes, particularly where the private sector and housing associations are not meeting that need.

We have recommended that local and national government work together to:

- Free councils from restrictions on their borrowing to build homes and establish a stable long-term financial framework enabling councils to invest, such as removing Housing Revenue Account borrowing from contributing to public debt.
- Enable councils to rapidly replace homes sold through Right to Buy, including to count the full value of their own land as part of the cost of building, and to recycle a greater proportion of receipts into building new homes, and to combine a mix of receipt and grants.
- End mandatory plans to force councils to sell council homes and return receipts to the government by decoupling it from the extended Right to Buy. This would give councils the flexibility to make the most efficient use of their housing stock to best meet the need for affordable housing in their communities.
- Provide regulatory certainty for councils to directly deliver new homes of all tenures through innovative delivery vehicles, including by clarifying Right to Buy will not be applied. Provide strong long-term certainty, backing, additional capacity support, powers and good practice support for councils looking to increase their level of direct delivery of new homes.

Creating prosperous places where people want to live

Housing investment has substantial wider benefits for people and places. Councils are approving nine in 10 planning applications and their emphasis on building homes is set within wider local strategies for improving health, creating jobs and boosting educational attainment, and enabling social cohesion.

Whilst the right homes in the right places can generate significant wider benefits, poorly planned developments focusing on numbers correlate with higher rates of chronic health conditions, traffic fatalities, pollution, isolation and a lack of social capital or resilience.

In our view it is essential that local and national government work together to:

Establish a positive, proactive, responsive planning system focused on shaping places by:

- Creating stability and certainty in the planning system and restoring planning powers to councils able to build homes that deliver wider ambitions for places
- Resourcing an efficient, positive and proactive role of planning services able to deliver homes by allowing councils to set planning fees locally, the 20 per cent uplift in fees is welcome but it is more than offset by New Homes Bonus reductions
- Giving councils the tools to help manage down the escalation of land prices paid by developers by incentivising developers to build out sites more quickly
- Attracting the next generation of place-makers by seeking to replicate the success of programmes such as TeachFirst and Frontline

Find sustainable models for financing infrastructure long term by:

- Taking opportunities for joining up and devolving infrastructure and growth funding linked to local objectives to deliver homes, for instance devolving elements of different national funding streams for local areas to join-up around a single ambition to deliver housing
- Explore routes for capturing greater proportions of land value uplifts resulting from planning permission in order to sustainably finance infrastructure for homes
- Increase the contribution of Community Infrastructure levy (CIL) for instance making it simpler for councils to establish and by enabling them to borrow against future receipts

Ensure that viability negotiations provide for affordable housing and infrastructure by:

- Establishing a clear, robust and transparent viability procedure to help manage down the escalation of land values and ensure the delivery of the affordable housing and infrastructure that communities need to back development.

Ending homelessness

Homelessness is rising across the country. Affordability is the greatest trigger of homelessness as housing costs rise above incomes; households receiving benefit present a growing risk for landlords in private and social sectors. But homelessness is complex, often linked to health, justice and other personal and family circumstances.

Local government wants to end homelessness through prevention and have the duties to deliver this. The Homelessness Reduction Act offers an opportunity, but legislation alone will not reduce homelessness and the pressure on temporary accommodation, which is fast becoming one of the greatest financial risks for councils as options for placing homeless families narrow.

It is recommended that local and national government work together to:

- Make reducing homelessness the business of all national and local health, justice, welfare, employment and housing partners
- Redress the growing gap between household incomes and increasing rents, including by lifting the Local Housing Allowance freeze, re-coupling it with real rents in some form, and increasing it in line with inflation
- Provide incentives to private sector landlords willing to let to households nominated by a council.
- Build and acquire homes for the purpose of sustainably providing quality affordable temporary accommodation to homeless households at scale
- Remove temporary accommodation from the overall benefit cap and from universal credit
- Review the impact of the Homelessness Reduction Bill in advance of the third year of implementation and ensure councils are appropriately funded to deliver new duties.

Concluding point

Overall we are very supportive of the new direction set by the Housing White Paper, it is important to acknowledge that both the market is broken, and that there is no silver bullet that will fix it.

Local government exists everywhere, and has a range of duties to deliver homes and meeting housing need of people, businesses and public services and places. There is enormous opportunity for councils to be able to deliver additional homes, and in our view this potential must be realised as soon as possible.

We look forward to playing our role in helping make change happen with councils, partners and the government.

Question 1

Do you agree with the proposals to:

a) Make clear in the National Planning Policy Framework (NPPF) 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?

In principle, although the NPPF already requires that local planning authorities identify the objectively assessed need for housing in their areas, and that Local Plans translate those needs into land provision targets (for example paragraph 47). It may not be necessary to provide additional clarity at paragraph 156.

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?

Yes. Co-operation across wider areas can help to identify sufficient land for housing. This can be difficult to achieve. We therefore support measures that could encourage and enable wider strategic planning where there is unanimous local agreement, and avoid the need for policies to be duplicated in individual local plans. It will be important that the identification and allocation of strategic sites through this mechanism is subject to an appropriate level of scrutiny, such as that for sites identified through the current local plan process.

The proposed system will provide increased flexibility for local areas. Although, there is a risk that given that the requirement to prepare more detailed development plans would be entirely voluntary, LPAs in some areas may only be able to justify their minimum statutory and policy obligations. This could have the unintended consequence of undermining the White Paper's desire to promote good design.

c) Revise the National Planning Policy Framework to tighten the definition of what evidence is required to support a 'sound' plan?

Yes. We support the principle of identifying opportunities to streamline the burden of Local Plan evidence collection, which can be the most time consuming element of plan making. Uncertainty over the extent of evidence requirements needed to satisfy the Planning Inspectorate (PINS) at examination risks extensive data collection and plans that are perhaps too detailed and long. Tightening the definition of what evidence is required would provide helpful clarity and certainty to LPAs and developers, and also minimise the likelihood of legal challenge that adds further cost and delay.

It is important that the government work with councils to ensure that the evidence base reflects the full range of data that is essential for effective place-making, and is not solely focused on a de-minimus for the allocation of land for housing. Councils should retain flexibility to decide what other bespoke evidence may be appropriate to address specific local circumstances.

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?

As well as identifying opportunities to streamline evidence requirements for Local Plans, consideration should be given to providing an option for local planning

authorities to receive additional advice from PINS at an earlier stage in the plan-making process, to minimise the likelihood of a plan being found unsound at examination stage.

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?

The NPPF (paragraph 50) already states that local planning authorities should plan for the housing needs of different groups including older people and people with disabilities. It will be important for any adjustments to ensure all groups within the population are given equal weight in planning policy.

There is an opportunity to reform the way that accessible homes are treated in relation to the development of Local Plan policies. Currently for councils to require higher standards of accessibility for new homes - for example Requirement M4(2) (accessible and adaptable dwelling) of the Building Regulations, which is broadly equivalent to the Lifetimes Homes Standard - they need to demonstrate a clear demand for this requirement based on their housing needs assessment and other available datasets.

In line with the government's emphasis on having streamlined evidence requirements, the requirement to demonstrate the need for Requirement M4(2) could be removed and so becoming an automatic requirement in all developments. There could be local discretion for exemptions in exceptional circumstances. This could be a more effective approach to addressing the needs for older people and people with disabilities, and provide greater choice for these groups in ways that enable downsizing into more appropriate general needs housing supporting positive ageing.

Planning policies are only part of the picture. There is a wider need to further integrate housing with health and social care in ways that improve well-being and reduce demand on care services. This means building more attractive and suitable homes for older people, but also adapting existing housing to better support ageing, and better integrating housing and health at all levels of government. Our Housing Commission report puts forward a number of other recommendations that we are keen to take forward with the government and partners, which includes a sustainable future model for funding supported housing.

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?

Councils recognise the value that standardised assessment models can bring in reducing uncertainty and increasing data transparency. Measures to simplify and clarify the methods for calculating the housing need of local areas could provide LPAs with additional clarity that can be important for targeting resources effectively and reduce appeals. It is difficult to comment further without having the detail of the model being proposed. It is important that a draft methodology be published for consultation soon. Whilst we welcome the principle of a standardised, simplified methodology, our view is that the model needs to be sophisticated enough to genuinely reflect local housing need and capture the complexities of different housing markets, so that communities can continue to

back development of the number, type, tenure and location of homes. It will be important to introduce the new standardised approach with appropriate transitional arrangements for councils that are at an advanced stage with current plans.

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?

We consider that the NPPF is sufficiently clear in respect of the presumption in favour of sustainable development. Whilst councils support the principle of making the best use of available land, this should not be at the expense of quality of place (existing and proposed) and so councils need local discretion to ensure that an appropriate balance is achieved. We would support the addition of Ancient Woodland and aged/veteran trees to footnote 9 of the Framework. There could also be locally specific issues, not currently included in the footnote, which might justifiably require development to be restricted in some areas. For example, to protect the best and most versatile agricultural land (as defined in the Agricultural Land Classification), in order to support current and future food production. We would therefore suggest footnote 9 does not become a closed list.

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?

Yes, this would support all councils in bringing forward publicly owned land for development, and provide greater opportunity for all councils to capture the uplift in land value resulting from the granting of planning permission, for investment in the local area.

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)?

Land assembly is crucial to unlocking new housing growth and LPAs can play a leading role in enabling this using their own land, with other public agencies, and with private landowners.

- More generally, land assembly could be speeded up through enhanced compulsory purchase orders (CPOs), or granting powers similar to those available to housing corporations.
- Resolving rights of way and third party rights can cause major delays to development, for example if pipes run through a site or a telecoms mast is on top of a building. Resolving these issues can be complicated, and can require a significant investment of time and resources from a council to resolve. For example, a council may have to acquire a site through compulsory purchase powers in order to change the rights. A streamlined process would speed up development, for example through a change to appropriation rights to give councils temporary powers to act for other landowners. Alternatively, local planning authorities should be given powers to reasonably require owners of land, which are key to unlocking development sites, to sell the land or allow access across the land. This could be subject to appropriate levels of compensation being provided by the relevant developer (s).
- The release of surplus public land is a significant opportunity to boost housebuilding, this has been demonstrated by the One Public Estate programme. The Ministry of Defence (MOD) and NHS own significant amounts of land, but these organisations are often hard for local authorities to access. Public landowners may be difficult to engage, or unclear of the role they could play in unlocking land for wider community value rather than selling for short term gain. A practical step would be for the Treasury to issue simple, clear central guidance to public bodies on how to consider land release in terms of wider public value, rather than just a short term focus on achieving the highest immediate receipt.
- Encouraging the use of “build now, pay later” models of deferred receipts for land payments would also help to speed up development and allow a more flexible approach to funding infrastructure.

The new ‘Duty to Engage’ requirements introduced in the Housing and Planning Act, requiring public bodies to engage with local authorities before disposing of land in their areas and ensuring land isn’t sold that could play an active role in land assembly, were a step in the right direction. The government could go further by giving councils new ‘Priority Purchaser’ status over the sale of public land, which could further support land assembly and give councils greater flexibility to bring land forward for 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?

As part of the local plan-making process councils already consider opportunities for estate regeneration; how potential schemes could fit within the broader vision for the future of development of an area and how this might contribute to delivering the housing required to meet local needs.

If national policy is amended as proposed it is important that decisions on whether estate regeneration proposals are included in local plans continue to be decided locally in the context of local circumstances, priorities and deliverability. The government should work with local government to ensure that any proposed wording does not conflict with other paragraphs within the NPPF and does not

imply that greater weight should be given to estate regeneration over other types of development.

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?

Local government supports measures that support small and medium sized sites to come forward and we have set out some ideas for achieving this in our final housing commission report.

It is important that the government properly engage councils in thinking through how requirements to allocate 10 per cent of sites in local plans to a hectare or less in size can actually be implemented. There will also be resource implications in identifying a large number of sites, and national policy of this kind restricts local responsiveness. In our view it will be difficult to achieve in practice and limit local responsiveness, a voluntarily approach might be more appropriate.

LPAs can encourage developers to sub-divide large sites to support the increase of sites for small and medium-sized developers, and are doing this in some places. It is important to recognise that there are currently no powers to enforce this.

Tools such as Local Development Orders and area-wide design codes can be useful and should be encouraged, but again it is important to acknowledge the resourcing and capacity necessary to put them in place. Measures to fund LPAs sustainably and support capacity building will need to accompany policy change in order to succeed. The government's proposals to increase planning fees by 20%, with potential for further increases, subject to consultation, are a step in the right direction, but the government should go further and give councils flexibility to set appropriate fees to reflect local circumstances.

The government could also consider ways in which it can provide greater support to innovative development models, including community-led development e.g.

cohousing, community land trusts, cooperative and tenant controlled housing. Community-led development currently represents a very small fraction of the market, however there is potential, given the right tools and support, for this to make a greater contribution to housing delivery, delivering high quality developments, affordable housing and multiple local benefits.

Question 9

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

The New Towns Act 1946 should be modernised to allow councils to establish and locally account for development corporations, which support councils to deliver sustainable new communities. We have supported amendments in the Neighbourhood Planning Bill that seek to bring this proposal forward and are keen to ensure that proposals allow LPAs to innovate in the provision and stewardship of successful new places – in particular allowing the forward financing infrastructure through land value capture, or enabling the release of land at values enabling mixed communities contributing towards affordable homes and community services.

Alongside this it will be important to recognise the challenges for areas bringing forward large strategic sites, for example new garden towns and villages. This could include, for instance, greater protections around five-year land supply so that councils can focus their capacity on driving forward long-term sustainable growth, dealing with fewer speculative planning applications and appeals.

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?

This would provide helpful clarification to LPAs seeking to address the challenge of meeting objectively assessed housing need against a backdrop of constraints on the use of land.

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?

We are supportive of the principle of compensatory improvements where land is removed from the Green Belt. This may be logistically challenging in some areas, for example where multiple landowners are involved or Green Belt is undeveloped agricultural land that is generally not accessible to the public. It should be up to councils to decide what compensatory improvements are feasible, viable or environmentally appropriate and to ensure that they reflect local circumstances.

The government could work with councils to explore improving arrangements for capturing uplifts in land value for community benefit, and whether councils could seek higher contributions from development as a consequence of land being released from the Green Belt.

c) 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?

There needs to be a consistency of approach across different levels of local planning. Proposals brought forward through Neighbourhood Development Orders should still be in general conformity with the strategic policies of the local development plan.

d) 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?

Yes only if this is agreed by both the local planning authority and the relevant neighbourhood plan (or plans) area.

e) 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?

Whilst we support this principle, Green Belt reviews should be undertaken based on local evidence rather than a nationally prescribed sequence of assessment. This means that once the need to release Green Belt land has been identified, opportunities can be explored to create new sustainable and accessible communities, for instance also including opportunities to deliver improved transport access to employment sites or other services, as well as transport hubs.

Local evidence will also ensure that other considerations can be taken into account in considering the protection or compensation for loss of Green Belt. For example balancing the need for new development with protecting the best and most versatile agricultural land (as defined in the Agricultural Land Classification). This is important so that councillors and their communities have the flexibility to make the necessary trade-offs locally.

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?

No.

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 pre-application 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?

Local government recognises the importance of ensuring that new developments are sustainable, high quality, and are in places where people want to live and work and welcome the recognition of good design. The commitment to review current energy performance standards in the Housing White paper is important. The government could go further to review design standards in ways that deliver improvements to the baseline quality of new homes (see also response to Question 3).

LPA's are responding positively to neighbourhood planning. The commitment for further funding to neighbourhood planning groups should be considered as part of a review of the LPA resourcing to meet their statutory duties.

There are likely to be practical challenges in providing neighbourhood planning groups with housing requirement figures, because population and household projects are not produced below district/borough/unitary.

We support a stronger emphasis of the importance of early pre-application discussions. Early collaboration, prior to submission of a planning application, helps shape better quality schemes and ensure improved outcomes for the community.

The principles for good design for local circumstances are important and so we have concerns with proposals to amend the NPPF to make 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. The consideration of local character can vary significantly even within a small geographic area and there needs to be local discretion to take this into account in making decisions on planning applications.

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?

Local government recognises the importance of making efficient use of land and looks to deliver new housing at appropriate local densities. How this is assessed and achieved should be for LPAs to determine within the context of individual schemes.

As the proposal recognises, LPAs need flexibility to ensure that the location, form and density of development takes into account the local context including character, accessibility and infrastructure capacity (of existing and proposed infrastructure). LPAs also need powers to ensure that specific design issues are addressed within all new developments, for example waste and recycling facilities, bicycle storage and car parking.

We have raised concerns regarding the impact that current permitted development rights have on local character through incremental, unplanned changes. The government should resist extending permitted development rights for building upwards to ensure that matters such as character, impacts on living conditions and impacts on local services, can properly be assessed and taken into account.

Question 14

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

We do not support the setting of national minimum density requirements as these would not be able to take into account specific local contexts. LPAs should have flexibility to set local density requirements for specific locations or sites through the local plan, which can properly consider local context, transport and other planning considerations.

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)?

Local government recognises the importance of making efficient use of land and look to deliver new housing at appropriate local densities. This includes exploring opportunities to deliver additional homes through more intensive use of sites, including existing public sector sites. LPAs need flexibility to ensure that the location, form and density of development takes into account the local context including character, accessibility and infrastructure capacity (of existing and proposed infrastructure). Government should resist introducing measures that restrict councils' ability to do this.

The use of tools such as Local Development Orders can be useful and should be encouraged where they are locally appropriate, but again it is important to acknowledge the resourcing and capacity necessary to put them in place. Measures to fund LPAs sustainably and support capacity building will need to accompany policy change in order to succeed.

We have raised concerns regarding the impact that current permitted

development rights have on local character through incremental, unplanned changes. The government should resist extending national permitted development rights further to ensure that matters such as character, impacts on living conditions and impacts on local services, can properly be assessed and taken into account by LPAs.

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?

Local government understands the need to identify sufficient land for use as new housing in the local plan process. This can be difficult when supply is constrained, however it is important to acknowledge that, in some cases, LPAs identify land supply for housing beyond five years. For example approved major developments or garden city proposals which for example might contribute towards a ten-year, fifteen-year plus land supply period.

We agree with the intent to fix the assessment of housing need for a given period of time once an LPA has spent time establishing a Local Plan, as this reduces the opportunity for developers to appeal and risk of inappropriate development outside the Local Plan to be approved. We therefore support the proposal to fix housing land supply assessments for a one-year period, however we do not support the proposed requirement on LPAs to identify an additional 10 per cent land should they want to fix their housing land supply assessment. In our view, further detail should be consulted on before implementation.

In principle, reviews undertaken by the Planning Inspectorate should be light-touch and a determination made within agreed statutory timescales. We consider that the Inspectorate's consideration should focus on ensuring that the approach pursued by the authority in establishing the land supply position is robust, rather than the Inspectorate making an assessment of the supply figure. Consideration should also be given to the capacity of the Planning Inspectorate to do such reviews in a timely fashion.

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?

See response to Question 29 for specific comments relating to the proposed housing delivery test consequences.

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.

We support the proposals for introducing a fee for making a planning appeal. The level of fee should be based on full cost recovery. The fee should be retained whatever the outcome of the appeal. Councils should be able to retain the fees to invest in planning departments.

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?

The NPPF already sets out that LPAs should support the expansion of electronic communications networks, including telecommunications and high speed broadband when preparing plans (paragraph 42-26). Paragraph 156 also sets out that Local Plans should set out the strategic priorities for the area, including strategic policies to deliver provision of telecommunications.

Local government is actively facilitating the deployment of digital infrastructure working with Local Enterprise Partnerships and communities to provide clear guidance to providers on potentially problematic routes and suitable sites for equipment, and many are proactively working with mobile operators to explore how coverage can be improved.

Communications providers need to do a better job of sharing information about their deployment plans with all LPAs at an early stage to streamline and speed up the planning process. In order for councils to have more meaningful discussions with mobile operators, the sector must be supported to pilot new local models for facilitating the deployment of these networks, and with much more accurate local coverage reports that reflect consumer mobile experience on the ground to understand what is needed.

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?*

Public backing for new development is best secured through a stable, locally accountable decision making process. The government and the National Infrastructure Commission must fully consider the impact of any recommendations on the status of Local Plans to ensure that they do not undermine or destabilise existing local policies for growth.

LPA's recognise the key role that strategic infrastructure improvements can play in unlocking sites for new development, and should continue to be able to take this into account as part of the planning process. Planning and delivery of strategic infrastructure can take a number of years after funding is committed, and therefore it is important to maintain local discretion in deciding the most appropriate time to consider potential for new development opportunities.

There is also a need to ensure that infrastructure providers including utilities, recognise the importance of their role in helping to unlock land for housing, and that where this involves government departments or their agencies, that their own funding mechanisms and planning frameworks are responsive and proactive in achieving this.

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?*

We support these measures in principle, in terms of transparency of information. A requirement for developers to provide information on progress in delivering permitted would support LPA's in the preparation of their housing land supply trajectories.

Developers need to be held to account for the information they provide and councils need greater powers to act where sites are not being built out at the anticipated rate, than those currently proposed in the White Paper. The government should work with councils and developers to ensure that any information that developers are required to provide is provided in a consistent format that enables councils to effectively monitor development delivery.

There should also be a requirement for landowners/developers who are promoting sites through local plans to submit information regarding the estimated start date and build out rate for the site.

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?

Whilst we support the intention of this proposal, we consider that the decision on a planning application should remain informed by its conformity with the NPPF, the local development plan and any other relevant material considerations. If the approach proposed were pursued, the definition of “realistic proposal” would need to be clearly defined, in order to avoid length legal arguments and planning appeals.

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.

Whilst we support the intention of this proposal, we consider that the decision on a planning application should remain informed by its conformity with the NPPF, the local development plan and any other relevant material considerations. If the approach proposed were pursued, the definition of “track record” would need to be clearly defined, in order to avoid length legal arguments and planning appeals. In addition, there would be nothing to prevent an applicant gaining planning consent and then selling the consent to a developer with a poor track record.

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?

See above.

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.

It is essential that LPAs have genuine tools to engage and incentivise developers to build out sites where communities have agreed to development. We welcome government encouragement for LPAs to shorten the timescales for developments to implement a permission, and there should be local discretion to which sites this applies to.

This is one tool that councils could use to incentivise developers to start building out sites with planning permission, but it will not automatically translate into faster housing completions as a developer could meet the conditions of commencing

development by only undertaking limited works on the site. We do not think it is sufficient in enabling LPAs to ensure homes get built any faster.

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?

Yes, we welcome the removal of this requirement which will streamline the process of serving completion notices.

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?

We support the principle of increased flexibility for LPAs in their use of completion notices and the removal of the requirement for Secretary of State confirmation. However, they have only been used 12 times since 2010 (Source: DCLG) and we therefore suggest the government work with LPAs to review the effectiveness of completion notices as a tool and look at other reforms that might encourage greater use to deliver more completions more quickly.

The purpose of issuing a completion notice is to encourage developers to complete developments which have commenced but not been completed within a certain period of time. However, it is important to recognise that completion notices do not necessarily result in a development being completed. Any parts of the development that have been completed at the end of the notice period are still lawful and therefore enforcement powers cannot be used to remove them.

Consideration should also be given to enabling councils to set time limits for completion of development as a condition of granting planning permission. This could be linked to streamlined powers for LPAs to compulsorily purchase or temporarily acquire a site or part of a site to enable the development to be completed where time limits are not met by a developer.

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?

House building is complex and risky involving a wide range of partners. LPAs are committed to building homes where they are needed but do not have all the planning powers to actually ensure it happens once planning permission has been granted.

This must be recognised by the proposal to apply a housing delivery test and the requirement for action from councils when housing delivery has not met forecast need, and the measures put in place to reduce the risk of reverting to presumption in favour of sustainable development. Given that councils are not able to control private sector delivery of housing, government should consider refocusing the 'housing delivery test' for councils on planning permissions granted rather than housing completions.

Should the housing delivery test proposal be taken forward as outlined the government should provide clarity on the data source that will be used for net annual housing additions. LPAs should also be given an opportunity to provide clear evidence to justify corrections to any potential data errors. The government should commit to review the effectiveness of the housing delivery test after 3 years.

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%?

See response to question 28.

Should the housing delivery test proposal be taken forward there will need to be a bedding-in period of at least 3 years before any consequences for under-delivery are considered, allowing time for a fair assessment of the degree of under-delivery.

As with all performance measures, it will be crucial to ensure the drive to meet the delivery test does not lead to unintended consequences. There is a risk that the emphasis on net additions could result in housing that doesn't meet local need, or that are not supported by the necessary infrastructure or access to services, which would undermine community confidence in the local plan-led system.

Before any consequences for under-delivery are applied to individual LPAs, those LPAs should be given an opportunity to provide clear evidence to justify corrections to any data errors and to set out any exceptional circumstances which would make application of the consequences unreasonable.

Question 30

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

Our introductory section sets out some of local government's key ambitions for the future of housing and councils' role in delivering the right homes in the right places. Key issues for planning authorities include:

- Creating stability and certainty in the planning system and restoring planning powers to councils able to build homes that deliver wider ambitions for places.

Influence has consistently shifted away from planning authorities and their communities – permitted development, national exemptions, proposed low cost home ownership requirement etc – and should be redressed to ensure communities maintain faith in the planning system. During this process the range of policy reforms has created an environment rife with uncertainty and change affective plan-making and wider partner confidence in planning objectives.

- Resourcing an efficient, positive and proactive role of planning services to deliver homes by allowing councils to set planning fees locally.

LPA resourcing is a huge issue, impacting on the ability to deliver the tasks being expected of the local planning system. In our view resourcing will be critical to delivering the objectives of the white paper – the 20 per cent uplift is welcome but taken alongside New Homes Bonus reductions, represents a £87 million loss to local government. Furthermore, beyond delivering the government's ambitions set out in the white paper, a proactive well-resourced planning system could do far more in seeking out new opportunities to deliver *additional* homes, and to deliver them in ways that meet wider – health, environment, transport, growth, employment etc – objectives.

- Giving councils the tools to help manage down the escalation of land prices developers pay, establishing a clear, robust and transparent viability procedure and giving councils real levers to require reasonable build out rates.

The functioning of the land market is central to delivering more homes faster, to a good quality, and with suitable investment in affordable homes and supporting services and infrastructure. Currently there are no disincentives on a developer overpaying for land, often meaning the most bullish can outbid others which then determines their approach to viability, design and quality, and build out. Absolute clarity on a developer's section 106 obligations and build-out expectations (subject to market conditions) would help prevent overpaying for land, transferring a greater proportion of land value into community value.

- Explore routes for capturing greater proportions of land value uplifts resulting from planning permission in order to finance infrastructure for homes.

As well as seeking means to prevent the over escalation of land prices, the planning system could be much more effective in capturing uplifts in value created in the granting of planning permission. New flexibilities

allowing councils to establish local development corporations will help enable this, but we are keen to explore other mechanisms for capturing value increases across the planning system which are, in part, currently disincentivised by the Land Compensation Act.

- Taking opportunities for joining up and devolving infrastructure and growth funding linked to local objectives to deliver homes.

It is essential that LPAs can work with the full range of partners to integrate housing delivering as part of a wider investment strategy for places. Different housing markets have different challenges and it is critical national partners respond to this. For instance housing delivery in many places is limited by the disproportionately high cost of remediating brownfield sites due to contamination which, combined with wider values, can render sites unviable. This means that national organisations, such as Homes England, should work with local areas to devolve national spending programmes to places with the flexibilities to knit together investments in ways that deliver additional homes that meet local need.

- Attracting the next generation of place-makers by seeking to replicate the success of programmes such as TeachFirst and Frontline.

The planning profession should be an exciting, attractive and rewarding career, giving professionals an opportunity to have a direct positive impact on places where people live, work and play. A successful planning system hinges on attracting and retaining talent into the sector, and programmes to incentivise this, alongside measures to reinstate locally led planning, would help achieve this.

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)?

It is important that the definition of affordable housing reflects the realities of what households can afford locally and that LPAs can plan for the mix of new housing that meets community need. For many households in many housing markets, 20 per cent below market rent or price remains unaffordable.

Should the definition of affordable housing be revised as set out in Box 4, LPAs should have flexibility to determine the balance of affordable housing products delivered locally, including rent and home ownership.

We recognise the intention behind the proposed income cap for Starter Homes in seeking to prevent homes being bought by purchasers who could otherwise buy on the open market and also recognise that the caps proposed are to bring Starter Homes in line with income caps for shared ownership products. However, the cap levels do not reflect local house price: income ratios. Instead of a

nationally-set income cap, the government should give councils flexibility to set eligibility criteria for Starter Homes determined with regard to local incomes and local house prices.

We support in principle the inclusion of affordable private rented housing as a form of affordable housing, subject to it being provided as part of a wider range of affordable housing tenures to meet locally assessed needs. As suggested above, this product will not be affordable to many households in many housing markets.

We support the proposal for a transitional period for the proposed change in the definition of affordable housing. The changes will place extra duties on LPAs, and will slow down the preparation of existing plans. To allow councils to undertake the necessary partial review of their affordable housing policies, a transitional period of 18 months should be allowed before a local plan becomes out of date.

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?

We acknowledge that the government has listened to the local government sector's concerns about the proposal for a 20% Starter Homes requirement through its new revised proposal for a 10% Affordable Home Ownership requirement. However, we do not agree with a minimum national requirement as it remains our view that LPAs, through their local plans, should determine any site size threshold and proportion of affordable home ownership units that are required on sites based on their objectively assessed need and taking into account site viability.

Should a national requirement be implemented, councils should have the flexibility to reduce the affordable home ownership requirement or to include other affordable home products (including social rent or affordable rent) where the national requirement does not meet the local objectively assessed need.

Local circumstances in many parts of the country are sufficient to justify affordable housing thresholds in local plans on sites below 10 units or 0.5ha. Where LPAs have an affordable housing need, and viability assessment shows that the necessary affordable housing policies are viable, then they should not be restricted from putting such policies in place.

The assessment of the economic viability of development is an important planning consideration for assisting with the development of Local Plans and plan policies and when determining individual planning applications. Local government has concerns that the plan-led system is being undermined by the use of viability arguments from developers to avoid the need to meet local plan policy. This includes the provision of affordable housing and providing infrastructure contributions.

Uncertainty and lack of transparency in the viability process impacts on the price that developers pay for land, often leading to the most bullish outbidding others which in turn impacts on viability negotiations around affordable housing and infrastructure contributions, design and quality, and build out.

The Government, councils and the development industry should work together to establish an agreed approach to viability assessments, which provides transparency to all interested parties, reduces the incentives for developers to pay over the odds for land, and so supports subsequent viability negotiations to deliver Local Plan objectives.

Question 33

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

Whilst blanket national exemptions can help protect investment in certain tenures they cannot take into account local market conditions. Where there are genuine cases where required contributions could render development unviable, this should be addressed through negotiation locally. LPAs should also have flexibility to introduce exemptions at a local level to reflect site or development-type specific situations.

Question 34

Do you agree with the proposals to amend national policy to make clear that the reference to the three dimensions of 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?

The NPPF as a whole must balance economic, environmental and social issues equally. This is important so that councillors and their communities have the flexibility to make the necessary trade-offs locally. Any changes to wording of the NPPF should ensure that it is clear that it will be for the local plan to set out what sustainable development means for the local area and the development required to deliver it.

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?

Yes we agree with these proposals but do not consider them necessary, as the NPPF is sufficiently clear on the role of planning in minimising vulnerability and providing resilience to the impacts of climate change.

Question 36

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

Yes. In particular we support clarification that planning applications for minor developments and changes of use in areas at risk of flooding are expected to meet the requirements of paragraph 103 of the NPPF, notably that development is appropriately flood resilient and resistant.

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?

Yes.

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?

Yes. The Written Ministerial Statement was published in June 2015, so we consider that there has already been an appropriate transitional period.

The Statement recognises the important role of a locally accountable plan-led process by outlining that when determining planning applications for wind energy development, local planning authorities should only grant planning permission if the development site is in an area identified as suitable in a Local or Neighbourhood Plan; and following consultation, it can be demonstrated that the planning impacts can be fully addressed.