

## Housing: An international challenge

### Part Two

#### Land for building

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##### About:

The LGA's People and Places Board commissioned a short project to share good practice taking place internationally on housing. Examples are drawn from academic research, CECODHAS Housing Europe (the European Federation of Public, Cooperative & Social Housing) and through LGA international contacts.

Five themes were chosen to reflect key issues facing policy and lobbying priorities for local government:

- Raising finance to invest in affordable housing
- **Land for building**
- Building quickly
- Quality of building and quality of life.
- Making the best use of existing building.

##### Land for building: the context

Identifying suitable land for housing development and regeneration is a key component of the English planning process. Local authorities through their local plan are required to objectively assess demand for housing and plan accordingly. Local authorities in England are making good progress to get their local plans in place providing important certainty for prospective developers and investors in the local area.

Authorities also have a range of powers and tools at their disposal to encourage, incentivise and compel land to be brought forward for housing and to use their own land for housing development. This includes arrangements such as ‘build now pay later’ on both public and private land which can mean that development is viable and secure important infrastructure contributions necessary to ensure that the development is sustainable.

The case studies in this chapter span a range of powers and tools to ensure a steady and sustainable supply of land to support sustainable housing development. The consistent theme is the role of the local authority: to bring parties together, to plan for sustainable development to provide long term certainty and to support land acquisition where necessary.

## International examples

1. **Germany** uses a legally binding process of land pooling or ‘readjustment’ called Umlegung. “The process starts with the municipality determining the area of the site for Umlegung and the rights and claims of all individual plots are added together. The land designated for streets and other public space is then appropriated from the total area. The remaining land area is then returned to the original land owners according to their share of either the original value or land area. If allocated by land value then the landowner has to pay the uplift in value – between the original land value and the new land value – to the municipality as public investment in infrastructure makes the land more valuable. This means the municipality can recoup the costs of infrastructure”<sup>1</sup>.
2. In the **Netherlands** municipalities and provinces have powers to purchase undeveloped land, install services and parcel it up for sale. Municipalities can use the municipal pre-exemption right (compulsory purchase) to designate an area for development. A landowner in the area who wants to sell their land must offer it first to the local area. The municipality will buy it at existing land use value, provide the infrastructure and sell plots of land at a price that recoups the initial outlay.

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<sup>1</sup> Source text from RTPi

3. Housing was an important part of rebuilding **South Africa** after the end of Apartheid. Over 3 million housing units have been delivered since 1994. Provinces and municipalities have worked together, with municipalities acting as delivery agents and leading on land acquisition and development.
4. **Canada** designates zones of land for different purposes in their planning process. A new zone of “rural residential development” was created in Cowichan Valley Regional District in British Columbia to allow a combination of land uses including farming, affordable homes and secondary buildings forming part of a new ecovillage. The land is owned by a co-operative and a land trust covenant protects the ecological features of the site and protects one third from development.

The results include provision for 10 affordable clustered off-grid houses and an innovative land trust covenant protecting the sensitive ecosystem and ensuring farming and educational activities.

<http://ourecovillage.org>

## Further reading:

International Review of Land Supply and Planning Systems, JRF 2013

<http://www.jrf.org.uk/publications/international-review-planning-systems>

Delivering Large Scale Housing: Unlocking Schemes and Sites to Help Meet the UK’s Housing Needs, RTPI 2013

<http://rtpi.org.uk/media/630969/RTPI%20large%20scale%20housing%20report.pdf>

Delivering Large Scale Housing, RTPI 2013

<http://www.rtpi.org.uk/media/630969/RTPI%20large%20scale%20housing%20report.pdf>

Housing Affordability and Choice: A Compendium of ACT solutions (Canada)

[http://www.fcm.ca/Documents/tools/ACT/Housing\\_Affordability\\_and\\_Choice\\_A\\_Compendium\\_of\\_ACT\\_Solutions\\_EN.pdf](http://www.fcm.ca/Documents/tools/ACT/Housing_Affordability_and_Choice_A_Compendium_of_ACT_Solutions_EN.pdf)

Commonwealth Local Government Forum

<http://www.clgf.org.uk/index.cfm>