

Forest Heath • St Edmundsbury



**West Suffolk**  
working together

**White Paper consultation**

**Fixing our broken housing market**

**HEADLINES and DISCUSSION**



- **The Housing White paper – published 7<sup>th</sup> February 2017**
- **Government is consulting on the proposals**
- **Consultation closes on the 2 May 2017**

**“The proposals in this White Paper set out how the government intends to boost housing supply and, over the long term, create a more efficient housing market whose outcomes more closely match the needs and aspirations of all households and which supports wider economic prosperity.”**



## Chapter 1: Planning for the right homes in the right places

### Getting Plans in place

- **Consult on options for introducing a standardised approach to calculating housing need**
- **Set out in regulations a requirement for local plans to be reviewed at least once every 5 years**
- **Consult on a requirement for local authorities to prepare statements of common ground – how authorities will work together to meet housing requirements and other issues that cut across boundaries**
- **Remove expectation that every authority should be covered by a single local plan, enabling allocation of strategic sites through spatial development strategies**

**West Suffolk initial thoughts:** Note the considerable time and resources required to get a plan in place, including evidence and policy uncertainty. Standardised approach to calculating housing need could streamline the plan-making process, reducing inefficiencies and providing certainty. Important for councils to retain freedom in how to plan and meet OAN.

**Co-operation across a wider area can identify sufficient land for housing. Measures to support wider strategic planning are encouraging. Statements of Common Ground are supported.**

## Making enough land available in the right places

- Deliver more homes on public sector land
- Introduce legislation that will allow locally accountable New Town Development Corporations to be set up, so areas can use them as a delivery vehicle for new settlements
- Consult on extending flexibility to dispose of land at less than best consideration
- Bring more brownfield back into use through amendments to the NPPF
- Support small and medium sites where at least 10% of residential sites allocated in local plans are of 0.5ha
- Expectation that local planning authorities will work with developers to encourage the sub-division of larger sites
- Maintain existing strong protection of greenbelt

**West Suffolk initial thoughts:** Release of public sector land is a significant opportunity demonstrated by One Public Estate programme. New Land Release Fund will help with this policy ambition. Should be pursued in along term strategic plan to ensure delivery. The requirement of 10% of sites being at 0.5ha will be difficult to implement in practice, the target should be voluntary.

## Strengthening neighbourhood planning and design

- **Strengthen the importance of early pre-application discussion, make clear that local and neighbourhood plans should set out clear design expectations, recognise the value of using design standards and consult on improving energy performance requirements of new homes**
- **Make further funding available to neighbourhood planning groups**
- **Make better use of land for housing by encouraging higher densities**

**West Suffolk initial thoughts:** Commitment to review current energy performance standards is supported. The commitment for further funding to neighbourhood planning groups should be taken further with a full review of the financial support provided to councils to meet their statutory duties in relation to neighbourhood planning. WS already seek to secure higher density housing but it is important for councils to retain local discretion to decide right levels of density for new housing across the local area. Need to be cautious high density doesn't result in rush to built small properties.

## Infrastructure and skills for housing

- Review the system for how developers contribute towards infrastructure and affordable housing through Section 106 and the Community Infrastructure Levy, to be published in the Budget on 8 March 2017.
- Ensure provision of infrastructure through the £2.3 billion Housing Infrastructure Fund which will be open to bids in 2017 with funding for four years, consulting on requiring council planning policy to deliver digital infrastructure, and to review how utilities companies can be prevented from holding up development.
- Pursue measures to address skills shortages in the construction industry.

**West Suffolk initial thoughts:** WS will contribute to the review on Section 106 and the Community Infrastructure Levy, which needs to be robust, clear, transparent and simple. The Housing Infrastructure Fund will provide crucial opportunities for councils to deliver infrastructure-led housing.

## Local authority and developer accountability for building homes

- **Introduce a housing delivery test to hold local authorities and their wider interests to account for delivering homes, requiring a local authority to publish an action plan where the numbers of new homes are lower than the number of those suggested are needed.**
- **Hold local authorities and developers to account by requiring information about the timing and pace of delivery for new housing, encouraging local authorities to consider potential build out rates when granting permission.**
- **Consider options for shortening the timescales for developers to implement a permission from three years to two years, and supporting councils to use compulsory purchase powers to support build out of stalled sites.**

**West Suffolk initial thoughts:** Support for councils to make greater use compulsory purchase powers to unlock stalled sites, although this will do little to speed up build-out rates. Similarly, while measures requiring starts within two years of being granted permission would be a step in the right direction, it does not ensure homes are completed at a reasonable rate. House building is generally complex and risky, involving a wide range of partners. Councils are committed to building homes where they are needed but do not have all the planning powers to ensure it. This must be recognised by the proposal to apply delivery test and requiring 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.

## Chapter 3: Diversifying the market

### Council and housing association house building

- **Determine a rent policy for council and housing association landlords for the period beyond 2020 to help them borrow against future income.**
- **Work with councils to understand all the options for increasing the supply of affordable housing, perhaps develop bespoke housing deals with authorities in high demand areas and with an ambition to build, and consider whether additional capacity support is needed for councils to innovate in housing delivery.**
- **Encourage councils delivering affordable rented housing through alternative vehicles to offer tenants similar rights to other affordable rented homes, including the Right to Buy.**
- **Commit to implementing measures to allow housing associations to be classified as private sector organisations, and urge them to explore every avenue for building more homes and improve efficiency to focus on house building.**

**West Suffolk initial thoughts:** Need to await publication of additional details, in particular implications of extending right to buy on alternative delivery vehicles.



## Diversification of private house builders

- **Support the market of small and medium-sized builders and custom builders by launching the £3 billion Home Building Fund and partnering with them in the Accelerated Construction programme to build on surplus public land.**
- **Build more homes for private rent by changing the NPPF encouraging councils to plan for Build to Rent products and make it easier for developers to offer affordable private rented homes.**
- **Ensure three or more year tenancies on schemes that benefit from these changes.**
- **Support modernisation of the housebuilding sector and faster methods of construction, including through the Accelerated Construction Programme and Home Builders Fund and work with industries and local areas keen to promote this type of manufacturing.**

**West Suffolk initial thoughts:** The strategy for supporting the diversification of the private market will take time to deliver, and is unlikely on its own to build all the housing our communities need. In the short-term it is critical to enable councils to build more affordable homes where the market has undelivered. There is a good opportunity to stimulate additional supply through institutional investment in Build to Rent products, which councils are keen to enable as part of the wider housing mix. Three-year tenancies on Build to Rent properties are welcomed but will likely form a very small proportion of overall housing stock, we are also interested to understand more about a new affordable private rented property.

## Future role of the Homes and Communities Agency

- **Relaunch the Homes and Communities Agency as Homes England, which would support councils to build on public sector land working with local public sector partners, deliver housing of all tenures, and support infrastructure delivery linked to housing.**


**West Suffolk initial thoughts:** A reformed role for the Homes and Communities Agency working with local partners could play an important role in supporting local areas to enable house building locally, WS will work with Homes England to support councils and their local partners to build more homes.



## Chapter 4: Helping people now Starter Homes

- **Target starter homes at households that need them most with an income of less than £80,000, or £90,000 in London, and that eligible first-time buyers would also be required to have a mortgage.**
- **Implement a 15-year repayment taper so that when the property is sold some or all of the discount is repaid.**
- **Replace the proposed starter homes requirement with an affordable home ownership requirement of 10 per cent on a site-by-site basis, and it be for councils to work with developers to agree the mix of starter homes, rent to buy, shared ownership or other products.**
- **Amend the NPPF to allow brownfield land to be released with a higher proportion of starter homes, extending the exception site policy to include other forms of brownfield land, and to support land remediation with the £1.2 billion starter home land fund.**

**West Suffolk initial thoughts:** Support local flexibility in delivering starter homes alongside the mix of other affordable housing products that meet the locally assessed need, including affordable homes for rent.



## Helping people afford a home

- Plans to introduce the Lifetime ISA, supporting younger adults to save flexibly for the long-term giving them a 25 per cent bonus on up to £4,000 of savings a year.
- Plans to consult on the future of the Help to Buy Equity Loan scheme.

**West Suffolk initial thoughts:** WS want to contribute to the discussion on future policy of interventions that support households to save for home ownership, and welcome the focus on both older and younger people from the White Paper as neither group are well served in the current housing market.

## Extended right to buy for housing association tenants

- The Government's existing commitment to extend the Right to Buy to housing associations through a regional pilot.

**West Suffolk initial thoughts:** It is still not clear how the extension of the Right to Buy will be funded in the longer term. Councils are still facing uncertainty over the prospect of a forced sales of their assets to fund the extended right to buy. Potential negative implications on rural exception sites.

## Government funding for affordable housing

- **The Government's existing commitment to fund a broader range of tenures through the Affordable Homes Programme, including the additional £1.4 billion announced in the Autumn Statement 2016.**

## Protection for private tenants and leaseholders

- **Existing measures on the private rented sector, consolidating them into a 'fairer deal' for rents, including a proposed ban on letting agent fees.**
- **Problems for leaseholders and the Government's intention to consult on reforms designed to tackle unfairness.**

**West Suffolk initial thoughts:** WS will continue to ensure that funding for affordable housing is delivered effectively with councils as a key partners. Councils and housing associations will be able to deliver more homes if given flexibilities, for example, to combine grants with Right to Buy receipts, and to deliver more social rented properties more affordable lower-income households.

These are helpful measures but they do not tackle the underlying challenges arising from a legal and regulatory system that is out-of-date and requires reform to match the pace of the reality of the current private rented housing market.

## Making the best use of existing homes

- **Existing policies on second homes and empty homes and reiterates the Government's support for councils to take action on empty homes using existing powers**
- **Plans to consider whether additional measures are needed on top of tools that direct the receipts from the Stamp Duty Land Tax on second homes to a Community Housing Fund.**

**West Suffolk initial thoughts:** It is important to make use of existing homes, although this will not solve problems with supply. WS are pleased that the Government recognises the contribution that local government has made to bringing down the number of empty homes.



### Housing for older people

- Produce guidance for planning authorities on how their local planning documents should meet the housing needs of older and disabled people.
- Engage widely with stakeholders, including local government, on the different strategies through which partners can deliver better outcomes for older people.
- Publish a green paper on the future of Supported Housing this Spring following the consultation on a new funding model

### Preventing homelessness

- Recent government proposals to address homelessness such as their support for the Homeless Reduction Bill, doubling of the Rough Sleeping Fund, and refocusing on prevention
- The intention to establish a network of expert advisors to work closely with all local authorities to help bring them to the standard of the best

**West Suffolk initial thoughts:** There is an acute need to integrate housing with health and social care further and in ways that improve well-being and reduce demand on care services. This means building more attractive and suitable homes for older people, and adapting existing housing to better support ageing in ways that reduce pressures on health and social care services. To deliver councils need tools in their viability negotiations with developers to ensure developers deliver more accessible homes.

## Next Steps

- Officers have started to consider the White Paper and relevant publications – **how does this impact on the strategic and operational work in West Suffolk**
- Prepare a programme/Action Plan – listing the proposals and actions in the White Paper and when they are planned for implementation
- Work with its partners to prepare a Suffolk wide/ East of England response