



**Fixing Our Broken Housing Market:
The Government's Housing White Paper**

CONSULTATION RESPONSE

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1 - London First

London First is a non-profit organisation with the mission to make London the best city in the world to do business. We work with the support of the capital's major businesses in key sectors such as housing, property, retail, finance, transport, infrastructure, professional services, ICT and education.

We set out our response to the consultation below; we have only responded to those questions that are of particular relevance to London.

2 - Summary of key issues

- We welcome the aim of the White Paper: addressing key issues in the planning and housing sector to increase the supply of new homes.
- The White Paper's focus on the need to deliver more homes across all tenures is the right one.
- We support the proposals to:
 - deliver additional homes through more intensive use of public land;
 - revise the definitions of affordable housing reducing the requirements for starter homes; and
 - allow local authorities to dispose of land at less than best consideration.

These are positive steps to support the delivery of new homes both in London and across the UK.

- Proposals to shorten the timescales for developers to implement a permission for housing development from three years to two years are too short for permissions to be implemented and will increase development risk profiles and restrict SMEs ability to deliver
- We support the Government's aim that planning permissions for new housing are implemented. However, the HWP's proposals for a developer's track record to be taken into account in determining applications does not address the root problems of the planning system's failures.
- Post June 8th, the new government should continue the direction of travel set out in the Housing White Paper. In addition, they should recognise that, due to devolution and the more acute nature of the London housing crisis, many of the proposals in the White

Paper will either already be in place or will not have the same effect in the capital as they will in the rest of the country. The government should think separately about proposals for tackling London's housing crisis. As explained in Question 6, this should be headlined by a coordinated and sustained programme of public land assembly in London.

3 - Detailed Comments

Question 1

Do you agree with the proposals to:

a) Make clear in the National Planning Policy Framework 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?

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?

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

a) Yes, the National Planning Policy Framework (NPPF) should make clear that local and neighbourhood plans should not duplicate policies from the NPPF, Spatial Development Plans, or any other development plan document.

b) Yes, Spatial Development Strategies (including the London Plan) should have the ability to allocate sites. The Housing and Planning Act 2016 provides for additional planning powers to be devolved to the Mayor of London. The scope of these powers has yet to be confirmed through secondary legislation. Additional plan making and decision taking powers which formed part of the GLA's 'asks' of government included:

- the ability to allocate sites through the London Plan, defining specific rather than indicative boundaries and;
- the ability to bring forward additional planning policy documents for the sites allocated above, working with boroughs.

These additional powers would enable the Mayor to support growth through collaboration with boroughs and interventions, where required, in plan making and decision taking in specific areas of London to deliver more homes.

c) Yes, we support revisions to the NPPF that will ensure a more proportionate evidence base and more clearly define the requirements to support a 'sound plan'. This guidance should be clear that where there is a spatial development strategy (such as the London Plan) in place, local plans should use its evidence base. These revisions should make it easier and faster to bring forward and adopt a local plan.

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?

Please see our response to question 1c. Where a spatial development strategy such as the London Plan is in place, there should be no need for boroughs to replicate the evidence base such as the Strategic Housing Market or Land Availability Assessments.

In respect of neighbourhood plans, please see our responses to Q12 and 17. Where, in the absence of an up to date local plan, neighbourhood plans are being brought forward the Planning Inspector should ensure that the evidence base to supporting the neighbourhood plan is suitable and robust.

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?

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?

- a) Yes, local planning authorities (LPAs) should be required to have clear policies to address the housing requirements of groups with particular needs. There should not however be a translation of need directly into housing requirements in the form of a percentage of overall numbers of new build dwellings, as this would be overly restrictive and inappropriate.
- b) Yes, in principle we support a standardised approach to assessing housing requirements in local plans. This is particularly important at a national level where there has been much disagreement at local plan examinations.

We understand there will be a separate consultation on the methodology. This should take into account both the impact of economic growth and market signals on housing need, which is of particular relevance to London and the South East where a strong economy and job provision attracts inward migration and the volume of new housing which will be required to impact on house prices.

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

d) its considerations are re-ordered and numbered, the opening text is simplified and specific references to local plans are removed?

- a) We support proposals to amend the NPPF's presumption in favour of sustainable development to maximise the use of suitable brownfield land. However, the Government's proposals to amend the NPPF to support the release of brownfield land in the Green Belt for starter homes should be extended to all forms of housing.
- b) Yes, the NPPF should be explicit about the national planning policies that provide a strong reason under which LPAs can seek to restrict housing development when preparing plans, or when making decisions on planning applications. In addition, the

NPPF should reinforce the duty to co-operate where housing needs cannot be accommodated within local authority (LA) boundaries.

Within the proposed new statement of the presumption in favour of sustainable development, the reference to meeting “needs that genuinely cannot be met within neighbouring authorities” is helpful, although it does not wholly address the issue of how to meet unmet housing need in London. The connectivity of markets to London is the key characteristic of markets that have the potential to meet unmet need from London.

- c) and d) We disagree with the inclusion of Green Belt in the list at footnote 9 of the NPPF. The other items included in footnote 9, include, inter alia; sites designated under the Birds and Habitats Directives and/or Sites of Special Scientific Interest; Areas of Outstanding Natural Beauty, Heritage Coast or within a National Park (or the Broads Authority); and designated heritage assets. Green Belt is a policy and not an environmental or other designation and reference to it should be excluded from the footnote. The NPPF’s policies on Green Belt should be drafted so as to provide sufficient clarity on the rules governing consideration of proposed development in the Green Belt.

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, LPAs should be able to dispose of land with the benefit of planning permission which they have granted to themselves. This change will remove the need for any third party purchasing the site to apply for planning permission separately speeding up the potential supply of housing.

Although not specifically asked in this consultation question, we also welcome the move to enable authorities to dispose of land at less than best consideration without the need for specific approval from the Secretary of State. This will enable sites to be brought forward for development in the manner which best fits local need.

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)?

We support the proactive steps being taken by public authorities and landowners to assemble land for development. In particular, a coordinated and sustained programme of land assembly in London, led by the Mayor, would play a key role in getting public land ready for development. Building on the work undertaken by the London Land Commission, the Mayor should engage with public sector landowners and put in place a strategy for ensuring the disposal of relevant land identified on the register by either acquiring this land (via transfers or purchase), or by coordinating its disposal with the public sector landowner. This process could be accelerated if the Government gave the Mayor first refusal to purchase surplus public land held by Government departments, agencies and other public bodies. A simplified compulsory purchase process would also support land assembly – the Mayor and GLA are best placed to

support local authorities to use CPO powers due to their expertise and resource in this field.

The Development Rights Auction Model (DRAM), which is to be piloted in London as announced in the [Memorandum of Understanding on further devolution for London](#) in the Budget, is a form of land pooling which could, in principle, contribute towards land assembly. We would be happy to work with Government and the Mayor to explore how the model could operate more widely in practice.

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?

Yes, we support this proposal.

We also welcome proposal A.47 in the White Paper to amend regulations so that LAs may dispose of land at less than best consideration. This will, for example, potentially help to bring forward more estate regeneration schemes. In addition to the White Paper's proposals, London First's report on estate regeneration¹ outlines further policy changes the government should make to support estate regeneration. These are:

- Where estate regeneration schemes deliver more than new or improved housing, such as community facilities, commercial space or transport improvements, government guidance should indicate support for local planning authorities to either exempt the payment of Community Infrastructure Levy (CIL) (zero rating) or to pay a reduced rate. In either option, robust evidence would need to be provided about the level of on-site infrastructure costs to justify such an approach. Where exemptions are permitted, s.106 agreements can be negotiated to set out how such monies can be spent to benefit the estate and wider community;
- Abolish restrictions on the ability of local councils to borrow against the value of their housing stock, when this would be within prudential limits. This reform would give most London boroughs, whose current debt is lower than the value of their assets, a greater ability to support housing growth through estate regeneration; and
- Allow local councils greater flexibility in pooling of different funding sources – such as Right to Buy receipts, housing zone investment, GLA affordable housing grant and payments in lieu of affordable housing – to support estate regeneration.

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?;*
- 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?.*

¹ Estate Regeneration more and better homes for London

a) London First support the Government's efforts to increase housebuilding on small sites by delivering certainty through the planning process. Small sites represent a key source of land for development in London and we support the amendment to the NPPF to promote neighbourhood plans as a mechanism for identifying small sites.

In principle, London First support the intention to speed up delivery of larger sites by increasing the number of builders and providing greater opportunities for SMEs. However, the potential benefits of this proposal could easily become disbenefits. For example, the subdivision of large sites could accelerate build out by creating a more competitive market, but equally it could lead to a slower and more piecemeal approach to development. As such, a blanket approach is unlikely to contain the nuance needed. To ensure these proposals are successful there should be further consultation with LPAs and developers, and the appropriateness of the application should be considered on a site by site rather than a blanket national basis.

f) While we do not object to this proposal, we do not believe it will deliver increased housing supply. There has been limited take up of Local Development Orders (LDOs) to date, including by authorities to assist SME developers, and we do not think that this will increase with the express promotion of LDOs in the NPPF. The proposal will therefore have limited impact on increasing housing supply.

We believe that design codes can work at a very local level for small sites and support their use in principle but that the government should be mindful of their limitations when applied to medium and large sites.

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?*
- 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?*
- c) appropriate facilities for existing cemeteries should not to be regarded as 'inappropriate development' in the Green Belt?*
- d) 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?*
- e) 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?*
- f) 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?*

a) Yes, we support the principle of strategic Green Belt release where there is a specific housing need. We also agree that LAs should first demonstrate they have fully examined all other reasonable options for meeting their identified development requirements before amending their Green Belt boundaries. As recommended in our

Green Belt report² London must continue to protect its valuable green spaces and beautiful open countryside but this is wholly compatible with seeing how the Green Belt can play a small part in helping to accommodate the new homes that London needs. The NPPF should encourage London boroughs and other metropolitan authorities with high housing demand to review their Green Belt and consider how the land within it can be most effectively used and what the options are for redesignating a small fraction for new homes.

b) Yes, where land is removed from the Green Belt to deliver new housing supply it is fair for local policies to require the creation or enhancement of new and existing green space and improved access to nearby Green Belt. These asks should be on a proportionate basis and not render development unviable.

c) Yes, we agree.

d) Yes, we agree (subject to our response to Question 8f.).

e) Where Green Belt boundaries are amended, this should take place through an assessment of evidence, undertaken at an early stage of any statutory development plan making or review process including strategic, local and neighbourhood plans

f) Yes, we agree. The starting point for any Green Belt review in London should be to consider areas which are close to existing or future transport nodes, of poor environmental or civic value and could better serve London's needs by supporting sustainable, high-quality, well-designed residential-led development that incorporates accessible green space.

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 preapplication 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?

a) We agree that LPAs should provide housing requirement figures for neighbourhood plans. This should apply to all emerging plans under review, not just on request. It should also be clear that these are minimum housing requirements and the ambition is that they should be exceeded where local housing need indicates. It should be noted, that it is difficult to assess housing need on a sub local level in cities and particularly

² The Green Belt: A Place for Londoners?

in London. As such, the assessment of a neighbourhood level housing requirement could be based on the ability of the area to accommodate housing growth.

b) Local concerns about design of new developments are often a reason for objections to planning proposals and local communities should have a say in setting design policies for an area, but this should be through the local plan (or area action plans) process. Any design policies in neighbourhood plans should be consistent with local plan policies and should not be overly prescriptive as this runs the risk of generating objections over minor and insubstantial details which could then be used to lobby for a refusal on ill-founded design grounds.

We agree that place specific design codes can be helpful tools to inform planning decisions on small sites.

c) We support early pre-application discussions between the applicant and the LPA on all planning matters including design.

d) We strongly support this proposal.

e) The planning process already gives weight to a range of design standards via development plans (including the London Plan), local plans and neighbourhood plans. This allows for appropriate regional distinction in design in order to best reflect local character and need. We do not agree that the NPPF (or any other national government planning tool) should specify 'Building for Life' or any other specific design standards as the tool that should be used to shape design principles as this is overly prescriptive.

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?

a) Yes, we agree, although it is worth noting that this is already promoted by the London Plan.

b) Yes, we agree. Many parts of London are well-connected but have low housing densities. Where redevelopment is taking place in these areas, there is an opportunity to ensure that London is getting the most from the process by improving the fabric of the city and delivering more and better homes. Applying a higher density approach to town centres, London's suburbs and public land, including housing estates in need of renewal, especially when they are well-served by public transport, is right.

c) Yes, we agree.

- d) We agree that in certain circumstances, where there are existing facilities in place in an area, such as open space, there should be a flexible approach to applying policy requirements and standards. In such circumstances, financial contributions could be provided to improve the quality of, or access to these services, facilities and open spaces. In addition, the NPPF should also recognise that developing at higher densities can deliver additional publicly accessible open space within existing and newly planned areas.

One further area of policy guidance which should be approached more flexibly is the Building Research Establishment's daylight and sunlight guidance for urban areas, which sets out nationally applicable best practice guidelines on the levels of daylight and sunlight that existing and new development should follow. While it recommends a more contextual approach and setting alternative target values for city centres and historic environments, it crucially does not set out what these are. In the absence of this guidance, a one size fits all approach is taken by many LPAs, resulting in the same daylight targets being applied to a development in suburban locations as in central London and other urban areas. Addressing this deficiency is a crucial element of the wide-ranging solutions needed to deliver higher densities and thus a greater number of homes for London and other urban areas.

Question 14

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

The London Plan already sets out the density standards expected for new development in the capital and, while these should be reviewed for the forthcoming consultation version of the new Plan, it should remain the key document to set the expected density standards for London.

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)?

Public sector land should play a key role in delivering more homes. We support the Mayor taking the lead in bringing surplus public land in London to the market for development. This could be achieved by re-starting the work of the London Land Commission and, as part of the move towards one public estate, giving the GLA first refusal on the purchase of surplus government and other public sector land in London.

As part of this initiative, the Mayor should use his available powers to assemble sites around core public land-holdings; set out an acceptable level of density for development; and offer them to the market with clear requirements about the mix of tenures and other infrastructure required.

We agree that better use should be made of existing land especially in urban locations including transport hubs and town centres through greater intensification, especially in London. The new London Plan which is currently being prepared by the Mayor should promote sustainable development at greater densities in these areas.

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?*

a) The London Plan sets annual housing targets for each of the London boroughs. It is unclear how this White Paper proposal will affect London.

b) and c) As per our response to a) it is unclear how this proposed policy would apply to London since the London Plan already sets annual targets for London boroughs. Notwithstanding this, we consider that the Mayor should continue to play a key role in setting borough housing targets and assessing individual boroughs' housing supply figures.

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?*

- a) Yes, we agree.
- b) Yes, we agree. The housing delivery test and the presumption in favour of sustainable development should also apply to neighbourhood plans as well as local plans.
- c) Yes, it should remain necessary to have site allocations in the plan to demonstrate that there is a sufficient supply of sites to meet local requirements.

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.*

In principle, we support the proposals for introducing fees for planning appeals, but only if these are utilised to resource the Planning Inspectorate to improve the speed of service for planning appeals.

a) The level of the fee should be commensurate to the scale and complexity of the planning application and the grounds of appeal (where applicable) to be considered. In this way, SMEs would not be deterred from bringing forward legitimate appeals.

b) Yes, the fee should be refunded where the appeal has been allowed – this could be addressed in the award of costs to cover the fees incurred by the appellant.

c) As set out in our response to a) the scale of the fee should be commensurate with the scale and complexity of the proposals and reasons for refusal (where applicable) to be considered.

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?

Yes; accompanied by wider strategic coordination across government to create a policy environment which enables, rather than hinders delivery.

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?*

Yes, strategic infrastructure schemes such as Crossrail 2 have a significant role to play in opening up parts of London for substantial new housing development, and it is right that authorities identify the additional development opportunities which strategic infrastructure improvements offer for making additional land available for housing.

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?*

a) It is reasonable for government to ask for estimated start dates and build out rates for development. However, this should only be utilised as an indicative guide to what can be delivered. In the real world things go wrong and delays occur for a wide range of unforeseen reasons.

Although the HWP recognises that this data will be indicative, including it in the application form could set an expectation for delivery in accordance with the estimated

timeframes and levels of housing delivery. We would not wish to see this used as a means by which to penalise developers who for legitimate reasons are unable to deliver in accordance with the estimates in the application form.

For these reasons, including the estimated start dates on formal planning applications forms sets the wrong tone as it indicates that they form part of the consideration of the planning application itself. Such information should be collected via a different route.

b) We agree with the proposal, although it should be noted that such information is already often a requirement of a condition or any s106 obligation.

c) We agree that it would be helpful for LPAs to monitor the progress of development delivery and to report it in Authority Monitoring Reports (AMRs). This data should be used constructively by the government and LPAs to investigate and seek to identify the reasons/barriers to development delivery so that these can be addressed.

d) In principle, we support this proposal

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?

No. The planning history of a site is already a material consideration that is taken into the account in the determination of a planning application. Any significant issues arising from a previous planning permission for a site can therefore already be addressed.

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.

We support the Government's aim that planning permissions for new housing are implemented. However, the HWP's proposals for a developer's track record to be taken into account in determining applications does not address the root problems of the planning system's failures.

There are companies who play a valuable role in the development process by bringing land to the market with planning permission. This reduces the risk to the developer from the planning process, allowing him to focus on delivery as opposed to managing the complexity of the planning system. A number of housebuilders' business model is purchasing such sites. The government should take care that any proposals for assessing a track record for delivery do not reduce housebuilding by precluding the valuable role these third party organisations play in bringing land to the market with planning permission.

In addition, clarity over what makes up a 'previous, similar housing scheme...' is needed. For example, as building homes in London is often more complicated than in

other parts of the UK would the track record be considered across the UK or on a regional basis? Would the number of homes required, the density, the site value, or site size be the principle benchmarking element; how would traditionally non-developing-RPs (who are being encouraged by government to scale up their development programmes) be assessed; and how would the government ensure such a test did not become a subjective one? Such detail would need to be provided before we could comment on the practical impact of a change to policy.

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?

As per Question 23, more detail is required on how track records would be assessed before this question can be answered in an informed manner.

For example, limiting proposals to large sites would reduce the bureaucratic burden on developers and LPAs associated with this policy and could help ensure that these key sites are always in the hands of those who will actually deliver them. However, there is a risk that by limiting proposals to large sites a staircasing approach to developer growth is created, whereby a developer needs to evidence they have delivered a site of a certain size in a certain location, before they can take on a larger site. This does not reflect how businesses grow in the real world and could act against small to medium sized (SMEs) developers seeking to scale-up their activity contradicting the government's stated aim of bringing more players, in particular more SMEs, into the housing market. However, it is not possible to accurately assess this without more detailed proposals in place.

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.

We disagree with this proposal. A two-year period is too short for a permission to be implemented for several reasons:

- a developer is unlikely to proceed with taking any steps towards the implementation of a planning permission until the 6 week post-decision judicial review period has passed;
- there is also likely to be pre-commencement and other planning conditions that will need to be discharged, as well as other non-planning consents obtained;
- site preparation/enabling works will need to take place before the permission can be implemented, and land and buildings that are subject to planning permission are often in-occupation and may be constrained by lease conditions;
- the developer will have to obtain vacant possession before the permission can be implemented. This is likely to be the most significant constraint on developer's ability to commence development on site; and
- it would increase the risk profile for SMEs and restrict them from gaining access to development finance.

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 support the proposals.

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 disagree with this proposal. Completion notices should be used only in exceptional circumstances. There may be valid reasons for building works progressing slowly or not following a start on-site; these reasons should be fully investigated and understood before the LPA determines its chosen course of action. LAs may not have the skills or expertise to assess and judge a scheme's build out rate and there is a risk that completion notices could be used too hastily or too commonly. This would increase risks in the planning and development process. Seeking to address the specific reasons for a lack of progression is a better course of action than preventing the development from progressing to completion. The increased risk will also affect lenders' willingness to finance development projects, particularly for SMEs.

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?*

In London, the Mayor is best placed to manage delivery here and this power should be devolved to him.

- a) Yes, we agree.
- b) Yes, but it depends on the methodology used for assessing housing requirements. As set out in our response to Question 3 the methodology should take into account the impact of economic growth and market signals on housing need as this is of particular relevance to London and the South East where a strong economy and job provision attracts in-migration.
- c) Yes, we agree.
- d) No, we believe that three years is too short, it should be at least 5 years so as to reflect an economic cycle.

Question 29

Do you agree that the consequences for underdelivery 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%?

London has a distinct housing market that operates differently to the rest of the country. It should have a different set of thresholds which are determined by the Mayor in consultation with the boroughs and interested stakeholders. The Mayor should also have responsibility for determining how the presumption in favour of sustainable development applies in London, to deliver consistent decision making across the city.

Question 30

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

- In London, the National Government and London boroughs working with the Mayor to bring forward surplus public land for development. See our response to Questions 6 and 15.
- Increasing the capacity of LPA planning teams could assist in increasing the number of planning permissions. This could be delivered through higher or cost reflective fees for planning applications (to be subject of a separate consultation, according to the White Paper).
- Increased support from the Mayor for LPAs to use CPO powers.

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)?

a) We agree with the proposed amendments

b) The most recent ONS data shows that the average first time buyer property price in London is £420,000³. As most banks will only provide a 4 x income mortgage, a cap of 90,000 household income means that only those towards the top end of the income bracket will be able to borrow sufficiently to purchase starter homes. Either the income bracket should be reconsidered or the government should accept a limited market for starter homes in London.

³ House Price Index: Monthly & Quarterly Tables 1-19

c) We welcome the introduction of affordable private rent (APR) as a product to be used in build to rent schemes. However, an overly prescriptive approach such as specifying the quantum of homes that should be APR and their level of discount to market rent runs the risk of limiting flexibility, which in turn stifles innovation and investment. This could ultimately reduce rather than boost the delivery of new homes.

d) We agree with this proposal.

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?

- a) National planning policy should not expect LPAs to seek a minimum percentage, at any level, on individual sites for affordable home ownership products. Demand for an increasingly varied range of affordable housing types differs substantially from region to region, and area to area. In some areas affordable home ownership products will be exactly the right product. However, in others very low or very high local prices present different reasons why affordable home ownership is not viable – in the former it unnecessarily competes with market products, in the latter there is a question mark about how ‘affordable’ it truly is.

All LPAs have a complex decision to be made in balancing local need for affordable housing against development viability. These are nuances which high-level national policy will struggle to capture. As such, it is imperative that LPAs who best understand housing need in their area, working in partnership with developers, landowners, and registered providers are the determiners of affordable housing typology on all sites.

- b) LPAs in partnership with developers, RPs, and Mayors not national planning policy should determine the affordable housing tenure mix in local areas.

We do not agree with this policy, but if implemented it should only apply to sites over 10 units or 0.5ha.

Question 33

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

We do not agree with this policy however if it implemented, build to rent developments should be excluded. As build to rent schemes are long term investments, where the management of schemes is reliant on retaining all the units, the sale of individual units within these blocks would undermine the financial viability and investor confidence in such schemes. All affordable housing within a build to rent development should be affordable private rent housing.

Question 34

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

We agree with the proposed amendments to the NPPF to more clearly define sustainable development.

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, we agree with this approach. The Mayor of London has published guidance on this matter in the Central Activities Zone SPG and further guidance is expected in the finalised night time economy SPG (the draft version has been published for consultation).