

# Housing White Paper - implications for housebuilders

The much anticipated Housing White Paper was published on 8 February, applying just to England. In this article we have selected some key aspects that will be of interest to housebuilders:

## Planning

- i The current approach by councils to identify housing requirements is complex and lacks transparency so the Government will consult as soon as possible on options for introducing a standardised approach to assessing housing requirements for use when producing their plans.
- i Councils will be held to account through a new housing delivery test and consequences for under-delivery.
- i There is confirmation that Green Belt boundaries should only be amended in exceptional circumstances when councils have fully examined all other reasonable options for development. However, following a consultation in December 2015 the NPPF will be amended to allow development on brownfield land in the Green Belt where it contributes to the delivery of starter homes and there is no substantial harm to the openness of the Green Belt.
- i There are proposals to amend the NPPF to address scope for higher density where appropriate and the Government will review the Nationally Described Space Standard and how it is used in planning.
- i Following an independent review of CIL and its relationship with s106 obligations, the Government will examine options for reforming the system of developer contributions and make an announcement in the 2017 Autumn Budget.
- i As part of the push to make enough land available in the right places, it is proposed to make further adjustments to the presumption in favour of sustainable development in the NPPF and the

presumption should be that brownfield land within settlements is suitable for housing.

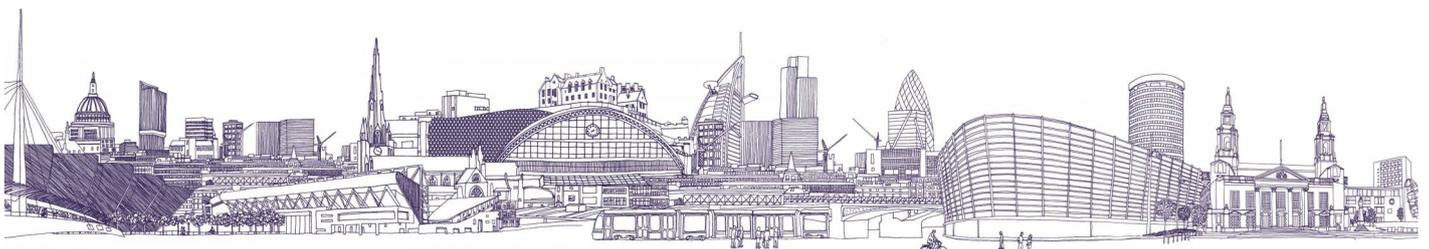
- i The Government will tackle unnecessary delays caused by planning conditions by taking forward proposals through the Neighbourhood Planning Bill.
- i To speed up delivery of homes, there is a proposal to shorten the timescale for implementation of a permission from three years to two years.
- i To help boost capacity in planning departments, councils can increase planning fees by 20% from July 2017 if they commit to invest the additional fee income in their planning departments.
- i As for the improvement of the licensing system for protected species such as great crested newts in order to speed up development, see our separate article on this subject.

## Land banking

- i The Government will consult on improving the transparency of contractual arrangements used to control land, such as options. There is concern that the lack of transparency could inhibit competition and that the land may sit in a land bank once the option has been exercised.
- i It will also improve the availability of data by publishing a draft bill to implement the reform of restrictive covenants and other interests.

## Starter homes/affordable housing

- i Rather than have a mandatory requirement for starter homes, the Government proposes to amend the NPPF to introduce a policy expectation that housing sites (of over 10 units or over 0.5 hectares) deliver a minimum of 10% affordable home ownership units.
- i It proposes to amend national policy to revise the definition of affordable housing to include a definition of affordable private rent housing, which is a



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particularly suitable form of affordable housing for Build to Rent schemes. These schemes will be purpose built for private and affordable rented accommodation. The Government is consulting separately on a range of measures to promote Build to Rent developments.

## Delay in build out

- i There are proposals to hold councils and developers to account if they fail to deliver. For example, subject to further consultation, the Government is proposing to require large housebuilders to publish aggregate information on build out rates.
- i It will keep the delivery of land with planning permission under review.
- i The Government will also look at ways of making it easier and quicker to serve a completion notice, whereby if development on a site has stopped and there is no prospect of completion, the council can withdraw planning permission for the remainder of the site.

## Diversifying the housing market

- i The Government is proposing to amend the NPPF to expect councils to work with developers to encourage the sub-division of large sites to increase the supply of land to small and medium-sized housebuilders.

## Leasehold houses

- i There is concern that some ground rents of leasehold houses are sold on and traded, with leaseholders left in the dark, and facing increasing and onerous payments. The Government will therefore consult on a range of measures to tackle unfair and unreasonable abuses of leasehold.

Many of the proposals that the Government is consulting on will take some time to come to fruition. Some will require changes to planning policy, others new legislation. Several build on the consultations and reviews conducted over the last year e.g. changes to the National Planning

Policy Framework. There is no quick fix to building more houses which the Government claims is the reason the housing market is broken.

The White Paper can be found at [www.gov.uk/government/collections/housing-white-paper](http://www.gov.uk/government/collections/housing-white-paper). The consultation closes on 2 May 2017.

If you would like to discuss any of the issues raised in this update, please contact:



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