

HIGH PEAK BOROUGH COUNCIL

Report to the Housing Select Committee

10th March 2017

TITLE:	Housing White Paper Update
EXECUTIVE COUNCILLOR:	Councillor McCabe – Executive Councillor
CONTACT OFFICER:	Mary Walker- Head of Customer Services
WARDS INVOLVED:	All

1. Reason for the Report

The purpose of this report is to update members on the [Housing White Paper 'fixing our broken housing market'](#) which is currently open for consultation.

2. Recommendation

2.1 That members note the contents of this report

3. Executive Summary

3.1 The White Paper 'Fixing our broken housing market' sets out Governments strategy to build homes and tackle the impacts of the housing shortage. The support it will provide to enhance local authority and industry capacity and proposals for future changes to planning and housing policy and legislation.

3.2 A number of measures and funding programmes have previously been announced under the Housing and Planning Act 2016; however the white paper introduces further changes which will impact upon the way Housing, Homelessness and Planning services are delivered.

3.3 The White Paper is split into four sections

- Plan the right homes in the right places (Local Plan making reforms)
- Build homes faster (implement Local Plans and planning permissions)
- Diversify the market (support the house building market to achieve amount, quality and choice of housing)
- Help people now (tackle the impacts of the housing shortage; home ownership, affordable housing, private rented sector, second and empty homes, supported housing and homelessness)

4. How this report links to Corporate Priorities

4.1 This report links to the Council's aims to help create a safer and healthier environment for our communities to live & work, meet our financial challenges and provide value for money and to help create a strong economy by supporting further regeneration of towns and villages.

5. Options and Analysis

5.1 Recommended - That members note the content of the report and receive further reports from officers in relation to specific elements at appropriate future meetings as further guidance and clarity is released.

6. Implications

6.1 Community Safety - (Crime and Disorder Act 1998)
None

6.2 Workforce
Certain elements of the White Paper may require additional resource to implement and manage

6.3 Equality and Diversity/Equality Impact Assessment
The initiatives proposed within the White Paper will require appropriate policies and procedures. All policies are to be applied fairly and consistently and where appropriate

6.4 Financial Considerations
There are significant financial implications relating to implementing certain aspects of the White Paper

6.5 Legal
None

6.6 Sustainability
None

6.7 Internal and External Consultation
None

6.8 Risk Assessment
None

7. Background and Detail

7.1 The White Paper 'Fixing our broken housing market' sets out the Government's strategy to build homes and tackle the impacts of the housing shortage. The support Government will provide to enhance local authority and industry capacity to build homes and proposals for future planning and housing policy and legislation.

- 7.2 The consensus is that 225,000-275,000 additional homes per year are required. However access to home ownership is restricted with the ratio of average house prices to average earnings doubling in the past two decades. By example in the High Peak in 1997 this ratio was 3.64 and in 2015 had grown to 7.06. In areas of housing shortage, high demand and low supply make it harder to rent suitable, safe, secure properties. The following house building challenges are identified;
- Not enough local authorities plan for the homes they need
 - House building is too slow
 - Housing market structure makes it harder to increase supply
- 7.3 A number of measures and funding programmes announced previously, the White Paper is divided into the following four sections.
- Plan the right homes in the right places
 - Build homes faster
 - Diversify the market
 - Help people now
- 7.4 **Chapter 1: 'Planning for the right homes in the right places'** (Local Plan making reforms)
- 7.4.1 Legislation through the Neighbourhood Planning Bill will place a requirement for local authorities to have up to date Local Plans and enable Government intervention. High Peak's Local Plan was adopted in April 2016. Regulations will set out requirements for the update and review of Plans and other Development Plan Documents.
- 7.4.2 Government will consult on options for introducing a standardised approach to calculating housing requirements.
- 7.4.4 Further to the duty to co-operate authorities are expected to prepare a 'Statement of Common Ground', setting out how they will work together to meet housing requirements and other issues that cut across authority boundaries.
- 7.4.5 Government will set out the strategic priorities that each area should plan for with policies to address the housing requirements of groups with particular needs, such as older and disabled people.
- 7.4.6 Local authorities to identify all land available for housing, who owns it and the options held on it.
- 7.4.7 To maximise use of brownfield and publicly owned land, regenerate estates, release more small and medium sized sites - while continuing to protect the green belt.
- 7.4.8 On public land Government are providing support for local authorities by launching a new £45m Land Release Fund and will ensure authorities can dispose of land with the benefit of planning permission they have granted to themselves. Government will also consult on land disposal and additional powers or capacity authorities may need in assembling land for development.

- 7.4.9 To make better use of land by building to higher densities where appropriate Government will amend planning policy and review space standards.
- 7.5 **Chapter 2: 'Building homes faster'** (implement Local Plans and planning permissions)
 - 7.5.1 Boost local authority capacity to deliver, from July 2017 local authorities will be able to increase nationally set planning fees by 20%. Consultation will also consider introducing a fee for making a planning appeal, so as to deter unnecessary planning appeals and reduce delay.
 - 7.5.2 To support developers to build out more quickly by tackling unnecessary delays caused by planning conditions Government will prohibit conditions that do not meet national policy tests, and ensure that pre-commencement conditions can only be used with the agreement of the applicant.
 - 7.5.3 Examine the options for reforming the system of developer contributions (Community Infrastructure Levy and section 106 obligations).
 - 7.5.4 To hold developers to account for the delivery of new homes Government are considering shortening the timescales for developers to implement permission for housing development from the default period of three years to two years.
 - 7.5.5 To promote development on stalled sites for housing Government will consult on proposals to encourage more active use of compulsory purchase powers.
 - 7.5.8 Government will consult on ways to dissuade developers from making a token start on work on site to keep a planning permission alive.
 - 7.5.9 Government will introduce a 'housing delivery test' for local authorities to ensure they are held accountable for their role in ensuring new homes are delivered. From November 2017 if delivery falls below 95% of the authority's annual housing requirement the local authority should publish an action plan, setting out its understanding of the key reasons for the situation and the actions that need to be taken to get home-building back on track. If delivery falls below 85% the government will expect authorities to in addition plan for a 20% buffer on their five-year land supply. The Government says that if the delivery of housing falls below the housing requirement, the presumption in favour of sustainable development would apply automatically, by virtue of relevant planning policies being deemed out of date.
- 7.6 **Chapter 3: 'Diversifying the market'** (support the house building market to achieve amount, quality and choice of housing)
 - 7.6.1 Encourage more small and medium builders, custom builders and non-traditional construction methods (e.g. offsite construction) and work with lenders to ensure they have plans in place to increase their lending

- 7.6.3 Encourage more institutional investors into Build to Rent, including affordable private rent where homes will be available for rent at a minimum of 20% below market rents. Eligibility will be based on local incomes and house prices.
- 7.6.4 Make more 'family friendly' tenancies of three or more years available, this appears to apply to new build homes for market rent. Whilst this will not affect social tenancies it is as yet unclear how far reaching the change will be across the private and affordable housing sectors.
- 7.6.4 Government will set out a rent policy for all social landlords to use from 2020 which will allow them certainty to borrow against future income.
- 7.6.5 Government remains committed to implementing necessary deregulatory measures to allow Registered Providers to be classified as private sector bodies and expects all housing associations to make the most efficient use of their resources to deliver the maximum number of new homes.
- 7.6.6 Work with local authorities to understand the options for increasing the supply of affordable housing, including the scope for 'bespoke housing deals'. All those placed in new affordable homes built by local authorities using models such as local housing companies should have the same rights as existing tenants including the Right to Buy.
- 7.6.7 Support a joint working group with lenders and the industry to ensure that mortgages are available across a range of tested methods of construction including non-traditional construction methods.
- 7.7 Chapter 4: 'Helping people now'.** (Tackle the housing shortage; home ownership, affordable housing, private rented sector, second and empty homes, supported housing and homelessness)
- 7.7.1 Starter Homes like shared ownership homes will be restricted to households earning less than £80,000 (£90,000 in London). The availability of this to those under 40 and for properties costing no more than £250,000 (£400,000 in London) remains unchanged. To reduce the risk of speculation a 15 year repayment period for the discount is introduced meaning that, if the property is sold during this period, some or all of the discount must be repaid and all homes must be purchased with a mortgage.
- 7.7.3 All new developments must have a minimum of 10% of homes available for affordable homeownership. The number of starter homes required on site is to be reduced from 20% to 10%. It will be for local areas to work with developers to agree an appropriate level of delivery of starter homes, alongside affordable home ownership and rented.
- 7.7.4 To introduce the Lifetime ISA in April 2017. This will support adults under 40 to save flexibly for the long term, giving them a 25% bonus on up to £4,000 of savings a year. Savings and the bonus can be put towards the purchase of a first home, or withdrawn once they reach the age of 60.

- 7.7.5 Government recognises that helping older people downsize keeps the housing cycle moving by freeing up homes for the many families across the UK who need them and are exploring ways to resolve this.
- 7.7.6 Extra funding for the Affordable Homes Programme, which has been opened up so providers can build a range of homes including affordable rent.
- 7.7.7 Extend the Right to Buy to Housing Association tenants through regional pilot funding. It is not clear how the extension of Right to Buy will be funded in the longer term.
- 7.7.9 Government will consult on the banning of letting agent fees to tenants. Continue to drive up safety and standards in the private rented sector, and drive out the rogue landlords by implementing measures in the Housing and Planning Act 2016, which will introduce banning orders and enable local councils to issue fines as well as prosecute.
- 7.7.10 To support areas affected by second homes and empty properties Government provides a Community Housing Fund and will consider whether any additional measures are needed.
- 7.7.11 Continue to support local authorities to encourage efficient use of existing stock and make best use of homes that are long-term empty.
- 7.7.12 Government will develop a new model to fund supported housing which will be detailed within a subsequent Green Paper.
- 7.7.13 Prevent homelessness and reduce rough sleeping; Government supports Bob Blackman MP's Homelessness Reduction Bill which will reform homelessness legislation (information available in Homelessness Prevention Expenditure Update report). £40m funding programme with funding secured by Derbyshire and Staffordshire authorities. Data collection is changing to inform prevention and Government will explore models such as social investment and social lettings agencies. Government is also establishing a network of expert advisors to work closely with all local authorities to help bring them to raise standards.
- 7.8 As part of the white paper, the Government are consulting on changes to planning policy and legislation in relation to planning for housing. Many of the changes involve amendments to the National Planning Policy Framework and government intends to publish a revised Framework later this year.

Mary Walker
Head of Customer Services

Web Links and Background Papers

[Housing White Paper 2017 'fixing our broken housing market'](#)

Location

.gov website

Contact details

Michelle Costello
 Housing Strategy Technical Officer
 Michelle.Costello@staffsmoorlands.gov.uk

