



Department for
Communities and
Local Government

Planning Update

Ruth Stanier
Director of Planning

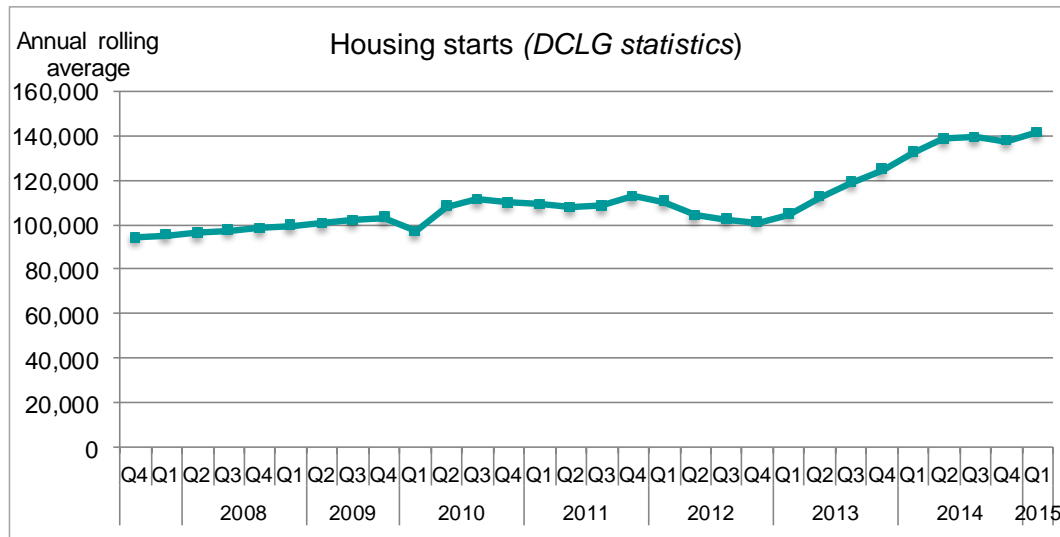
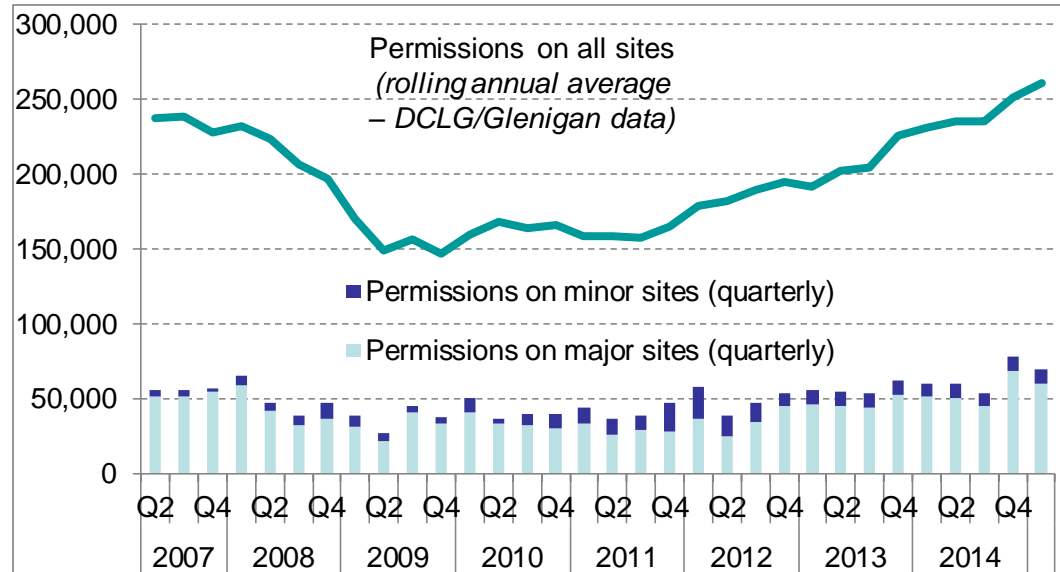


- Context: Planning Permissions and Housing Starts
- Productivity Plan and Housing Bill





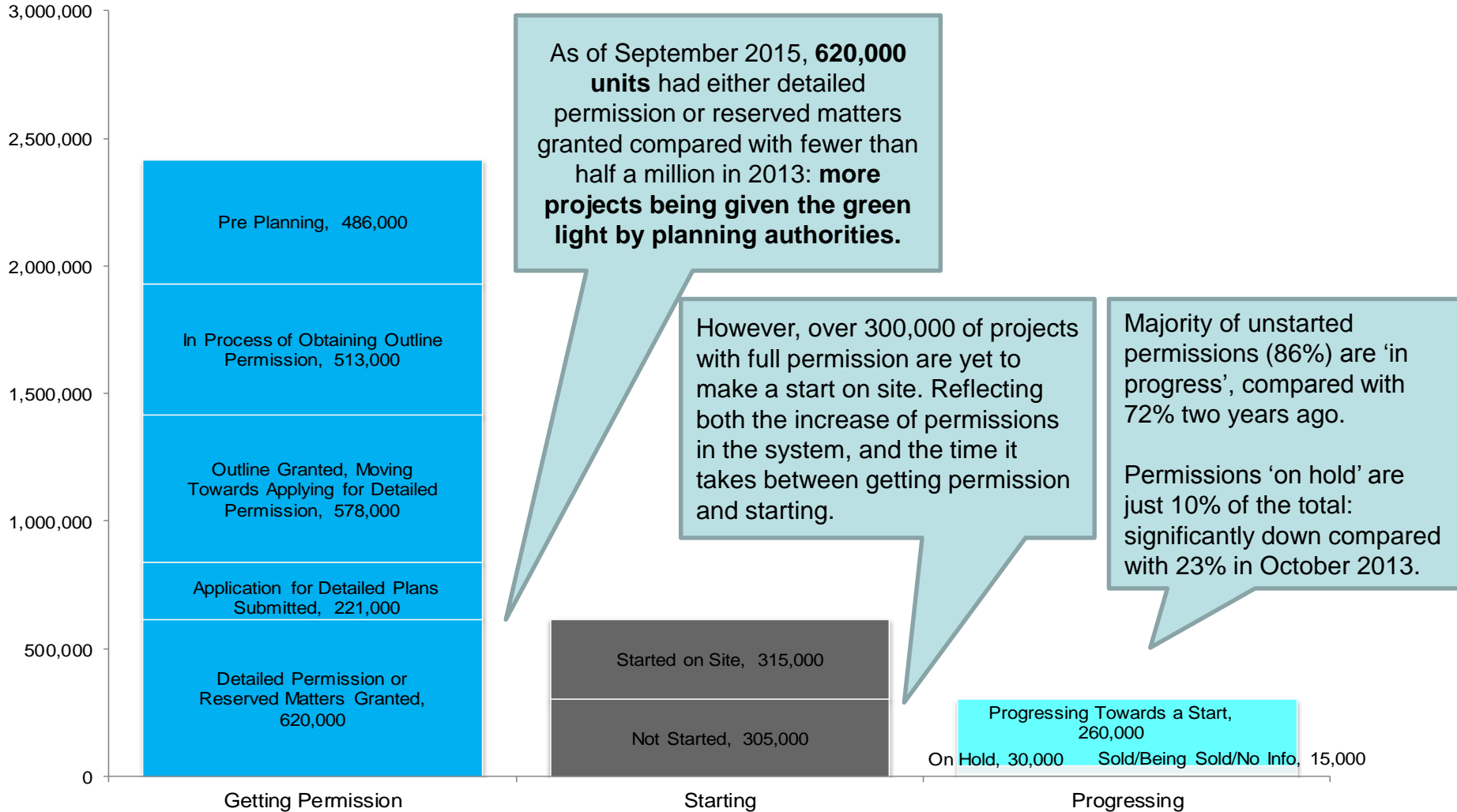
The Context: Planning Permissions and Housing Starts



- 261,000 homes granted permission in the year to end of Q1 2015.



Permissions – the number of homes in the planning pipeline has been increasing





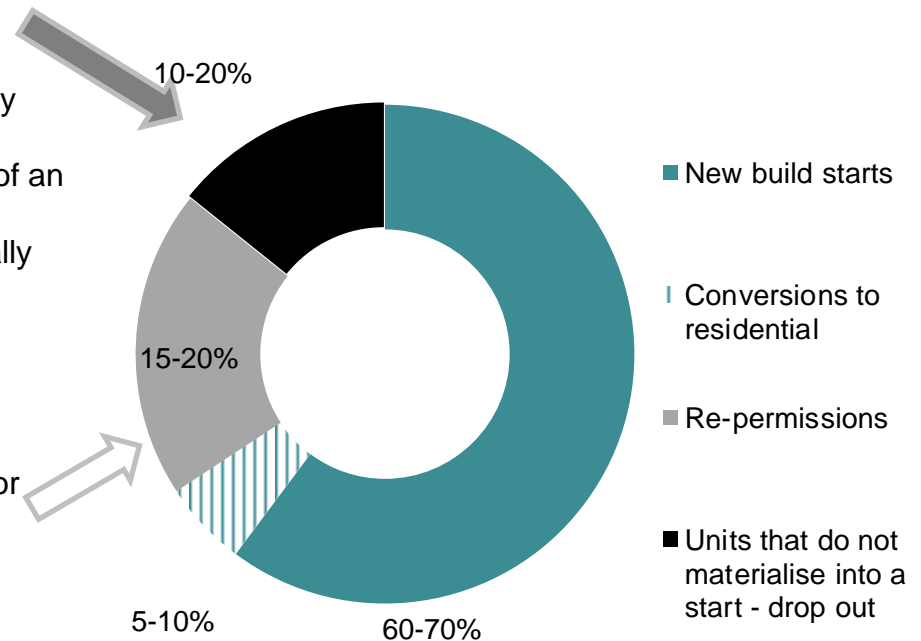
In recent years there has been a 30-40% gap between permissions and housing starts

- **Gap of around 30-40%** between the number of permissions given for housing and starts on site within a year. Estimate that for a year's permissions for housing around:
- **10-20%** do not materialise into a start; the permission **'drops out'**: this could be because -

- the landowner cannot get the price for the site that they want
- a developer cannot secure finance or meet the terms of an option
- the development is later not considered to be financially worthwhile
- there are supply chain constraints hindering a start.

There may be scope to reduce this through policy.

- **15-20%** are not abandoned but a **re-permission** is sought, for example to make a major change to plans or to extend the development period.



- Recent data and realities of private market suggests need to **plan for permissions on more units than housing start/completion ambition.**



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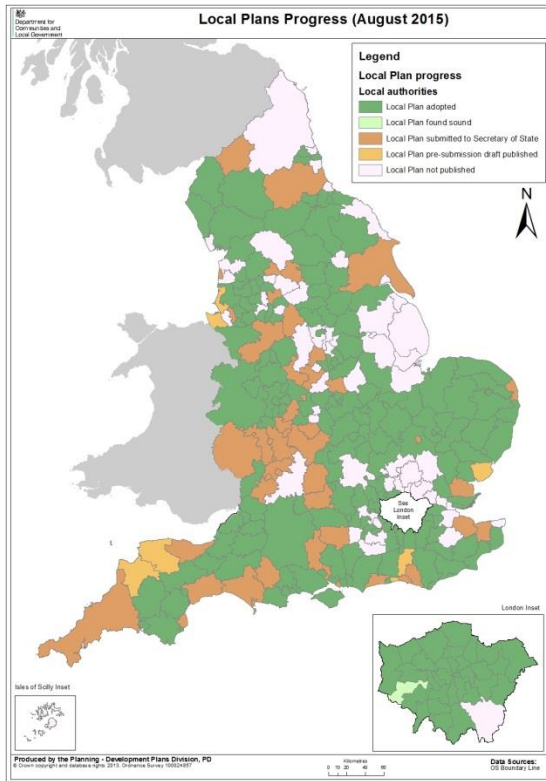
Productivity Plan & Housing Bill - Key Planning Measures

- Improving Local Plan-making
- Brownfield registers, permission in principle & fast-track certificate
- Measures to help deliver 200,000 Starter Homes
- Housing within major infrastructure projects
- Taking forward Right to Build
- Dispute resolution mechanism for Section 106
- Extending Mayor of London planning powers
- Making compulsory purchase processes clearer and more efficient
- Expanding approach to managing under-performing LPAs
- Simplifying and speeding up neighbourhood planning



Other Productivity Plan Planning Measures

- Strengthening guidance on Duty to Cooperate
- Reviewing Agricultural to Residential PDRs threshold
- Helping London to ‘build up’, rather than ‘build out’
- Supporting higher density development around commuter hubs and releasing land no longer required for employment
- Mobile planning review



Productivity Plan (July 2015)

- Intervene to arrange for the plan to be written, in consultation with local people, to accelerate production of a Local Plan in cases where no Local Plan has been produced by early 2017
- Publish league tables setting out local planning authorities' progress on providing a plan for the homes and jobs needed locally
- Bring forward proposals to significantly streamline the length and process of Local Plans
- Strengthen guidance to improve the operation of the Duty to Co-operate between authorities on key housing and planning issues

- 64% of LPAs have an adopted Local Plan and
- 82% have published a Local Plan (compared with 17% and 32% respectively in May 2010)



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Brownfield Register and Permission in Principle

To ensure that 90% of suitable brownfield sites have planning permission for housing by 2020, the Housing Bill will:

- require local authorities to have a register of brownfield land suitable for housing to provide up-to-date transparent information about local availability
- provide earlier certainty for developers, encouraging investment in local housing, by granting automatic permission in principle for suitable sites identified on those registers, and
- introduce a fast-track process for establishing the principle of development for minor development



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Starter Homes

- 200,000 Starter Homes available exclusively for first-time buyers under 40 years old, 20% below open market value
- Will each cost no more than £250,000 outside London (£450,000 in London) – with resale and letting restrictions for first five years
- Will not be subject to section 106 affordable housing and tariff-based contributions, to help pay for discount. Will also bring forward regulations to exempt from CIL
- Productivity Plan and Rural Productivity Plan announced package of planning reform proposals to help deliver Starter Homes, building on current exception site policy in place since March
- Announced in August a one-off £36 million funding package to pave the way for first wave of Starter Homes on brownfield sites that would otherwise not be built on





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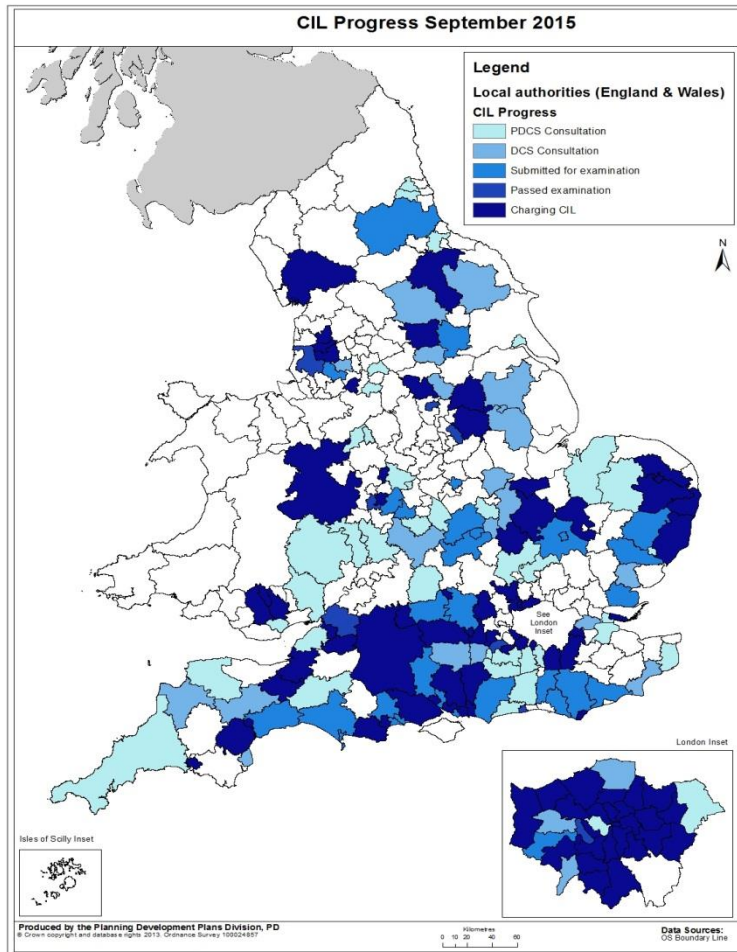
Right to Build

- Drive up home ownership by doubling the number of custom-built and self-built homes by 2020
- £150 million repayable fund bringing forward up to 10,000 serviced plots for custom build
- Self-Build and Custom Housebuilding Act 2015 will require local planning authorities to keep a local register of prospective custom and self-builders
- New duty in Housing Bill will require authorities to support prospective custom and self-builders registered in their area in identifying suitable plots of land





Community Infrastructure Levy review



- 95 authorities now charging CIL
- Committed to reviewing CIL in 2015
- Is it providing faster, fairer, more certain and transparent mechanism for developer contributions?



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Devolution and Decentralisation

- Key government priority
- Further devolution of planning powers in London
- Deal-based devolution – city, extended-city/county and growth deals
- Responding to local priorities and asks, including planning and housing delivery
- Delivering government priorities through deals