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**To:** Policy and Resources Cabinet Committee  
8 March 2017

**Subject:** Housing White Paper Briefing

**Classification:** Unrestricted

**Past Pathway of Paper:** None

**Future Pathway of Paper:** Growth Economic Development and Communities Cabinet Committee

**Electoral Division:** All

**Summary:** This paper outlines the main provisions of the recent Housing White Paper, and presents an analysis of its potential Impacts, Challenges and Opportunities.

**Recommendation:** The Policy & Resources Cabinet Committee is asked to consider and make recommendations on the White Paper.

## 1. Introduction

- 1.1 The Government published the Housing White Paper – ‘Fixing our broken housing market’ on 7 February 2017. This focuses on housing, but the proposed changes in policy will affect planning (plan making and decision taking) more generally. It is open for consultation until 2 May 2017.
- 1.2 One of the biggest policy challenges facing Government, Local Government, and communities is housing, and the Secretary of State for the Department for Communities and Local Government (DCLG), Sajid Javid - has said that the issue is his “*number one priority*”. Housing is also a priority for Kent County Council, and a supporting outcome of our Strategic Statement is that we “*support well planned housing growth so Kent residents can live in the home of their choice*”.
- 1.3 Sajid Javid has reiterated the Government’s September 2015 pledge that the Government would like to see a million new homes built by 2020. The 2004 Barker Review (which is referenced in the White Paper) recommended that 250,000

houses a year needed to be constructed to prevent house price inflation exacerbating the affordable housing shortage. This figure has not been achieved, and according to recent Government figures, there was a net housing increase of 189,900 in 2015-16, a rise of 11% on the previous financial year, and an additional 893,000 homes built since 2010 – the highest level since the 2007-08 financial crash. Government figures have also concluded that the number of affordable homes built in England in 2015-16 fell to its lowest level for 24 years.

- 1.4 The Office for National Statistics (ONS) has reported that, as of December 2016, national house price affordability was 9.38 times average earnings, with 2.2 million working households with below-average incomes spending a third or more of their disposable income on housing. The number of households who own their own house has fallen by 200,000 since 2010, with the number of under-35s having fallen by 344,000 since 2010. The Local Government Association (LGA) has further reported that only 20% of 25-year-olds own their own homes, compared to 20 years ago when this was 46%.
- 1.5 Since 2010 around 1 million more households now rent from private landlords, with the proportion of people living in private rented accommodation doubling since 2000. However, a Royal Institution of Chartered Surveyors (RICS) survey has predicted that rents will increase by just over 25% in the next five years, compared to 20% for property values.
- 1.6 During the year ending 31st March 2016 there were 6,704 dwellings completed (net) in the twelve local authorities in the KCC area. This is 46% higher (2,100 dwellings) than the previous year (2014/15) when the number of dwelling completions was 4,604 (net). The figure for 2015/16 includes 1,060 affordable housing completions. The ratio of median house price to median gross annual salary ranges from 10.78 in Tonbridge and Malling to 8.20 in Swale during 2015.

## **2. The Housing White Paper**

- 2.1 Prior to the White Paper, the 2016 Autumn Statement heralded a change in emphasis from the Coalition Government's economic policy of concentrating on deficit reduction, to borrowing to invest for infrastructure to improve growth and productivity, and this included several housing related announcements.
- 2.2 In summary these included several funds and initiatives:
  - Home Building Fund
  - National Productivity Investment Fund (NPIF)
  - Housing Infrastructure Fund
  - Capacity Fund
  - New housing zones – although none of these are in Kent
  - Accelerated construction on public sector land
  - Right-to-Buy for Housing Association tenants
  - A Starter Homes Land Fund
  - The announcement of new Garden Towns and Villages
- 2.3 Although this is a White Paper, it is more akin to a Green (consultation) Paper – with many future proposed consultations referred to in the document – these are detailed in section 5 of this report. However, there are sections that are not open for

consultation, particularly where there has been previous consultation, and several proposals build on consultations and reviews conducted over the last year: the report of the Local Plans Expert Group; consultations on changes to the National Planning Policy Framework (NPPF), technical changes to planning and 'building up' in London; and the Rural Planning Review call for evidence. A summary of the responses to each consultation is published alongside the White Paper.

- 2.4 Many of the changes will also involve amendments to the NPPF, and the Government intends to publish a revised Framework later this year, which will consolidate the outcome from the previous and current consultations. It will also incorporate changes to reflect changes made to national policy through Written Ministerial Statements since March 2012.

### 3. Key provisions in the Housing White Paper

#### 3.1 Local Plans

- **Following consultation, the Government will introduce a new 'Housing Delivery Test', through changes to the NPPF that will look at a standardised way of calculating demand. Where under-delivery is identified as a result of monitoring, the Government proposes a tiered approach to addressing the situation:** From November 2017, a local authority will be required to publish an action plan if delivery of housing falls below 95% of the annual housing requirement and if delivery falls below 85%, local authorities must also plan for a 20% buffer on their five-year land supply; from November 2018, if delivery is below 25% the presumption in favour of sustainable development would automatically apply; from November 2019, the presumption will apply if delivery falls below 45% and from November 2020, it will apply if delivery falls below 65%.
- All Local Planning Authorities (LPAs) are covered by a "*realistic*" Local Plan – using existing powers and those proposed in the Neighbourhood Planning Bill currently before Parliament - to be reviewed every five years, or face intervention. The White Paper says that 40% of LPAs do not have an up-to-date Plan. In February 2016 DCLG consulted on their proposed criteria for making decisions on whether to intervene in plan-making. Government intends to make decisions on intervention on the basis of these criteria.
- Housing land supply would also be able to be agreed on an annual basis. It is proposed that LPAS who wish to take advantage of this will need to provide for a 10% buffer on their 5 year land supply.
- LPAs will be required to plan for higher densities, and focus in areas where there is a shortage of land on locations that are well connected to public transport.
- **The NPPF will be revised to remove the policy expectation that each LPA should produce a single Local Plan.** The Neighbourhood Planning Bill, currently before Parliament, **would allow the Secretary of State to direct a group of authorities to work together to produce a Joint Local Plan.** **Government will also consult on changes to the NPPF, so that authorities are expected to prepare a 'Statement of Common Ground'.** This would set

out how they will work together to meet housing requirements and other issues that cut across authority boundaries, and would replace the 'Duty to Cooperate' – which the Government say has not worked in practice.

- Devolution deals have allowed housing to be considered at a wider scale than individual authorities via 'Spatial Development Strategies'. Building on measures in the Neighbourhood Planning Bill, the White Paper proposes that Combined Authorities or areas with an Elected Mayor will be able to allocate strategic housing sites.

### 3.2 Infrastructure

- **An independent review of the Community Infrastructure Levy (CIL) and its relationship with Section 106 planning obligations is published alongside this White Paper.** The report recommends that the Government should replace the CIL with a hybrid system of a broad and low level Local Infrastructure Tariff (LIT). Under this system: all development would be liable for a LIT - a low level tariff aimed at meeting an area's wider cumulative infrastructure needs; and larger development would be required to deliver site specific mitigation secured by a section 106 agreement. In addition, the review has recommended legislating to enable Combined Authorities to establish an additional Strategic Infrastructure Tariff (SIT) to contribute to major infrastructure. This would be similar to the Mayoral CIL which has been applied in London.
- The Government has confirmed that it is exploring an improved and simplified approach to developer contributions, including ensuring direct benefit for communities, and will make an announcement on any reform in the 2017 Autumn Budget.
- **The Government say that they will work with local Leaders and Mayors on infrastructure** and *"take a more coordinated approach across Government to make sure the right infrastructure is provided in the right places at the right time to unlock housing delivery"*.

### 3.3 Speeding up housebuilding and Planning

- The Government will make it easier for LPAs to issue 'Completion Notices', reducing the developing envelope time from three to two years.
- Developers will be required to be more transparent about their pace of delivery, so that councils can take this into account when planning. There are also measures to boost the transparency of the identity of landowners.
- The Government say that the £3 billion 'Home Building Fund' will broaden out the number of housing providers from the 10 companies who build 60% of all new homes. The Government say that this will help facilitate the building of 25,000 new homes this Parliament and up to 225,000 in the longer term by engaging SME builders, custom builders, offsite construction and the associated infrastructure.
- Government will support the delivery of existing and future 'Garden' communities by legislating to enable the creation of 'New Town Development

Corporations', and amending policy to encourage a more proactive approach by authorities to bringing forward new settlements in their plans.

- Neighbourhood planning groups will have access to Government funding to pay for support required in preparing plans, and housing requirement figures from their LPA.

### 3.4 Green Belt

- The Government has reaffirmed its commitment to the Green Belt, that “*only in exceptional circumstances*” can it be built on, and only then after consulting communities and submitting a revised Local Plan for examination. The Housing Minister – Gavin Barwell has said that councils “*can take land out of the green belt in exceptional circumstances but they should have looked at every other alternative first*”, like brownfield land, surplus government land, increasing the density of projects, or partnering with neighbouring councils. In reality it is an unlikely scenario where mass building on the Green Belt will be facilitated. A revised NPPF will set out the processes LPAs must take before considering building on the Green Belt, and it will also be amended to reflect a ‘de-facto’ presumption in favour of housing on brownfield land.

### 3.5 Housing Affordability

- **There is a range of Housing Affordability measures in the White Paper. Although the target for the number of new houses the Government wants to see built by 2020 is absent from this document, the Government do commit to saying that they expect to help over 200,000 people to become homeowners by the end of this Parliament.**
- It is of note that Theresa May’s Government has a different emphasis towards housing compared to the approach of David Cameron’s administration, which concentrated more on home ownership rather than alternative tenures.
- As such, the White Paper presents a “*change of tone*” from home ownership to affordable and secure rents, relaxing restrictions on funding for the £7.1bn ‘Affordable Homes Programme’ - which was originally focused on delivering Shared Ownership schemes - and refocussing incentives for developers to build affordable homes for rent, and Rent-to-Buy schemes alongside shared ownership. Government want to encourage institutional investors, lenders and Capital Markets Participants to the private rental sector. A ‘Rent-to-Buy consultation has been launched alongside this White Paper so that developers can offer affordable rent options.

### 3.6 Government is proposing changes to planning policy to support households who are currently priced out of the housing market:

- **Changing the definition of affordable housing:** The Government intend to take forward proposals, in the NPPF, to expand the definition of affordable housing in planning policy, and propose to:
  - To introduce a household income eligibility cap of £80,000 (£90,000 for London) on ‘Starter’ homes. Previously the 2015 Conservative manifesto

pledged 200,000 new 'Starter' homes that could be bought by first-time buyers at 20% discounts. There will also be a 15 year repayment period for a 'Starter' home so when the property is sold to a new owner within this period, some, or all, of the discount is repaid.

- To introduce a definition of affordable private rented housing, which is a suitable form of affordable housing for Build to Rent Schemes.
- Subject to the Built to Rent consultation, the Government intend to publish a revised definition of affordable housing as part of changes to the NPPF.
- **Increasing delivery of affordable home ownership products:** The NPPF requires LPAs to plan proactively to meet as much of their housing needs in their area as possible, including market and affordable housing:
  - **'Starter' homes:** The White Paper confirms that the Government will not introduce a statutory requirement for 'Starter' homes at the present time. This is because of concerns expressed in response to their consultation last year that this would not respond to local needs. Instead 'Starter' homes are to be decided locally, with LPAs to deliver these as part of a mixed package of affordable housing of all tenures that can respond to local needs and local markets. Government will look for LPAs to work with developers to deliver a range of affordable housing products, which could allow tenants to become homeowners over a period of time. These include 'Starter' homes, shared ownership homes and discounted market sales products.
  - **10% of all new housing sites should be 'affordable' – from a previous target of 20%:** To promote delivery of affordable homes to buy, it is proposed that national planning policy will reflect that local authorities should seek to ensure that a minimum of 10% of all homes on individual sites are affordable home ownership products. This will form part of the agreed affordable housing contribution on each site. It is proposed that this policy should apply to sites of 10 units or more (or 0.5+ hectares). This aligns with the planning definition of 'major development' for development management purposes. A lower threshold would be contrary to existing national planning policy.

The Government say that there are a number of schemes for which such a policy may not be appropriate, either on viability grounds or because the nature of the proposal makes it difficult to provide affordable home ownership products. For example:

- Build to Rent schemes
- Proposals for dedicated supported housing, such as residential care homes.
- Custom Build schemes.
- Development on Rural Exception Sites.

### 3.7 Starter Homes & Brownfield land

- DCLG will change the NPPF to allow more brownfield land to be released for developments with a higher proportion of 'Starter' homes by:
  - Bringing forward a proposal for retaining employment land that has been vacant, unused or unviable for a period of five years, and is not a strategic employment site, should be considered favourably for 'Starter' home-led development.
  - Extending the current 'Starter' home exception site policy to include other forms of underused brownfield land – such as leisure centres and retail uses – while retaining limited grounds for refusal.
  - Allowing development on brownfield land in the Green Belt, but only where it contributes to the delivery of 'Starter' homes, and there is no substantial harm to the openness of the Green Belt.
- It will be clarified that 'Starter' homes, with appropriate local connection tests, can be acceptable on Rural Exception Sites. Government will also look to support 'Starter' home development in rural areas by working in partnership with councils to bring forward land for locally supported development.
- The £1.2 billion 'Starter Home Land Fund' will be invested to support the preparation of brownfield sites. Sites will include both 'Starter' homes and other types of affordable home ownership products such as shared ownership, and products like Rent-to-Buy.

### 3.8 Backing Local Authorities to Build

- The White Paper says that the Government will work with local authorities to understand all the options for increasing the supply of affordable housing, and they are interested in the scope for bespoke housing deals with authorities in high demand areas. They will look to promote the alignment of decisions on infrastructure and housing at higher spatial levels, including via Joint Local Planning and Statutory Spatial Plans.
- DCLG say they welcome innovations like Local Development Corporations, local housing companies and/or joint venture models building mixed sites, which include new market housing for sale or private rent, as well as affordable housing.

### 3.9 Housing Associations

- The Government also say that they want to support Housing Associations and Local Authorities to start building again, and will:
  - Set out a rent policy for social housing landlords (housing associations and local authority landlords) for the period beyond 2020 to help them to borrow against future income, and will undertake further discussions with the sector

before doing so. The Government also confirms that the 1% rent reduction will remain in place in the period up to 2020.

- They will make the Social Housing regulator a stand-alone body.
- Government say they are committed to implementing the necessary deregulatory measures to allow Housing Associations to be classified as private sector bodies.

### 3.10 Renters and Leaseholders

- **Banning Orders:** The Government will implement measures introduced in the Housing and Planning Act 2016, which will introduce banning orders to remove the worst landlords or agents from operating, and enable local councils to issue fines as well as prosecute.
- **Lower tenancies:** DCLG are proposing to make the private rented sector more family-friendly by taking steps to promote longer tenancies on new build rental homes.

### 3.11 Community Housing Fund

- In April 2016 higher rates of Stamp Duty Land Tax have been payable on purchases of additional residential properties, including second homes. Some of the additional receipts have been used to form the 'Community Housing Fund', which is supporting communities to take the lead in developing homes, including in areas particularly affected by second homes. Government will consider whether any additional measures are required to support this policy.

### 3.12 Older People

- The Government is introducing a new statutory duty through the Neighbourhood Planning Bill on the Secretary of State to produce guidance for LPAs on how their local development documents should meet the housing needs of older and disabled people. The White Paper says that – "*Helping older people to move at the right time and in the right way could also help their quality of life at the same time as freeing up more homes for other buyers*". The Government say they are committed to exploring these issues further and will draw on the expertise of a wide range of stakeholders including housebuilders (both specialist and mainstream); mortgage lenders; Clinical Commissioning Groups; housing associations and local authorities and older people and the groups that represent them.

### 3.13 Financing a property purchase

- **'Help To Buy: Equity Loan':** The Help to Buy Equity Loan was originally established in 2013. DCLG has committed £8.6 billion for the scheme to 2021.
- **'Lifetime ISA':** Government will introduce the Lifetime ISA in April 2017. It is aimed at supporting young adults to save, giving them a 25% bonus on up to £4,000 of savings a year. Savings and the bonus can be used towards purchasing a first home, or withdrawn once they reach the age of 60.



## **4. Impact; Challenges and Opportunities of the White Paper**

### **4.1 Will this White Paper achieve its aim of facilitating more houses being built?**

Liam Booth-Smith, Chief Executive of the think tank Localis, has commented that *“The real test of the Government’s Housing White Paper will be whether they can diversify and disrupt the developer market”*, adding that *“Large house builders are close to capacity”*. While, David Orr - Chief Executive at the National Housing Federation, has added that *“what the nation needs now is unwavering political will and courage to see this through”*.

### **4.2 There is no explicit role for the County Council in the White Paper:** This housing paper does not reiterate the proposals in the Neighbourhood Planning Bill to enable strategic planning across county areas. The Bill would enable the Secretary of State to invite a county council to prepare or revise a Development Plan document in a case where the Secretary of State thinks that a district council in a county council’s area is failing to prepare, revise or adopt such a document. It is not clear whether the Government sees a formal role for county councils in strategic planning arrangements, and whether this may also include options for plans which cut across county boundaries.

The County Councils Network (CCN) is lobbying to make the point that strategic planning arrangements must integrate planning functions with other relevant growth and service functions, particularly those that relate to infrastructure provision. Their position is that in two-tier areas county councils would need a formal role in strategic plan-making, and that allowing district councils to prepare joint plans will not address the core challenge of infrastructure provision.

## **Local Plans**

### **4.3 A centralisation of local planning?** The existing NPPF guides Local Planning Authorities (LPAs) to significantly boost the supply of housing. The Government has subsequently said that any LPA that does not have an up-to-date Local Plan could face Government intervention, but until now this has not been defined. The suggestion in this White Paper is that central Government is intent on mandating LPAs to increase the number of homes in their Local Plan – which is a centralisation of the planning process. If this is the case where does this leave local democracy in the planning process?

Martin Tett, the Leader of Buckinghamshire County Council and housing spokesman for the LGA has commented that *“If you get into a situation with central government effectively imposing top-down targets, you are back to a situation where local communities will really resent these housing numbers”*.

Jonathan Carr-West, Chief Executive, LGiU has said that the think tank is *“not convinced that this White Paper goes far enough to address the democratic deficit in our planning system. In a recent survey, we found that seven out of ten local councillors believe that the system is weighted in favour of developers at the expense of local communities. They also told us the system was too dominated by central Government: a trend this White Paper looks set to exacerbate rather than reverse”*.

- 4.4 **There is a spatial disparity in the housing powers given to councils across the country – particularly those councils that have an elected mayor:** The 2016 Autumn Statement announced that northern councils and councils with elected mayors will receive greater housing powers. London will be given £3.15 billion to deliver over 90,000 housing starts by 2020-21. Authorities with mayors will also be given powers to borrow to invest in “*economically productive infrastructure*”. Building on measures in the Neighbourhood Planning Bill, the White Paper proposes that Combined Authorities or areas with an elected mayor will be able to allocate strategic housing sites. This is not a level playing field within which to work.

### **Infrastructure**

- 4.5 **One of the biggest issues with new housing is the infrastructure that is required:** It is welcome that the White Paper says the Government will work with local Leaders and Mayors on infrastructure. It is also encouraging that the Independent review of the Community Infrastructure Levy (CIL) highlights the importance of the two-tiers working together in county areas – “*In two tier authorities, it is particularly important that there are early discussions to identify and plan for the infrastructure needed to support growth and to identify how that will be funded*”.

The Kent and Medway Growth and Infrastructure Framework (GIF) presents a clear picture of the county’s housing and economic growth planned to 2031, but crucially also sets out the total cost for the fundamental infrastructure needed for this growth at £7billion and identifies a likely funding gap of £2.25 billion. The GIF is being used to provide robust evidence to attract investment and engage with London, southeast partners and key infrastructure providers.

Kent County Council, along with Essex County Council, is also part of a pilot set-up by the Housing & Finance Institute (HFI) that will aim to identify, assess and then unblock infrastructure problems in order to speed up house building. It will pay particular attention to delays caused by lack of utilities or transport connections. The scheme will run until May 2017 and will potentially roll out across the UK later in the year. Other partners in the scheme are: SELEP, the Home Builders Federation, developers Laing O’Rourke and Keepmoat, Anglian Water, and the DCLG.

- 4.6 **The White Paper also only mentions the ‘New Homes Bonus’ briefly, signalling that this had been downgraded as a means to encourage acceptance of development.** The draft Local Government Finance Settlement announced that £240 million of New Homes Bonus monies would be diverted to the social care budget. From 2017-18 councils will only receive New Homes Bonus (NHB) payments on housing built above a baseline of 0.4% growth. Legacy payments of the Bonus have also been cut from six years to five in 2017-18, and only four years in 2018-19. In submissions, District and County Councils networks have criticised this change, pointing out that NHB largely benefit Districts in two-tier areas, while counties deliver social care.

### **Speeding up planning**

- 4.7 **There is a lack of detail in the White Paper on encouraging new Towns or Garden Cities:** The Paper says that the Government will introduce new legislation to allow locally accountable New Towns Development Corporations to be set up in

order to better support new garden towns and villages, which the Town and Country Planning Association says is welcome. But they also comment that “*Changes to the New Towns Act will need to be accompanied by a new approach to Government investment in new development, channelling new and existing funds to support up-front infrastructure and affordable homes*”.

In January 2017 the Government announced the creation of 14 new ‘Garden Villages’ of between 1,500 to 10,000 homes to be built outside existing settlements, and three new ‘Garden Towns’. This is in addition to the Government’s announcement in November 2016 confirming the creation of Otterpool Park Garden Town in Shepway, which will deliver up to 12,000 homes with infrastructure such as schools and other essential facilities; the Government will provide £750,000 to ‘kick-start’ work to take forward this development. The Government reportedly intends to issue a further call for expressions for Garden Village proposals in 2017. **This presents the opportunity for other ‘Garden’ developments in Kent.**

### **Green Belt**

- 4.8 While the Government has pledged to maintain the protections on the Green Belt, there are clearly pressures on those parts of the country, and counties that are surrounded by the Green Belt. David Orr - Chief Executive at the National Housing Federation, has commented that “*Land remains a critical barrier; we know that brownfield land alone is not enough. We urgently need to have honest conversations about how green belt land is used*”.

### **Housing Affordability**

- 4.9 **There is nothing in the White Paper on relaxing borrowing freedoms for councils, so that they can finance house building:** Speaking at the recent District Councils Network (DCN) conference, Gavin Barwell suggested that areas that deliver on their Local Plans could be granted more flexibility over the borrowing cap for housing. But this is not included in this White Paper. Cllr Martin Tett - Housing Spokesman at the Local Government Association (LGA) has commented that LPAs need access to funding in order to “*resume their historic role as a major builder of affordable homes*”, and that “*This means being able to borrow to invest in housing and to keep 100% of the receipts from properties sold through Right to Buy to replace homes and reinvest in building more of the genuine affordable homes our communities desperately need*”.
- 4.10 **Affordable homes built by local authorities through housing companies will possibly be subject to right-to-buy rules.** The White Paper states that the Government “*want to see tenants that local authorities place in new affordable properties offered equivalent terms to those in council housing, including a right to buy their home*”.

Lord Porter, Chair of the LGA, has said that “*The amount of aggravation [the Government] had extending the right-to-buy to [housing association] properties would be nothing with trying to do it across private companies*”, and that councils would “*just build to sell... if they are threatened with right-to-buy*”. While, John Bibby - Chief Executive of the Association of Retained Council Housing, has said that “*Most local housing companies have been set up to provide homes for market sale*”.

*or private rent but some have a bit of affordable housing incidental to that and in those cases this could drive a coach and horses through their business plans”.*

Barking & Dagenham LBC became one of the first councils to set up a housing company – ‘Barking and Dagenham Reside’ with 620 properties which it rents out at sub-market rates. John East - Barking & Dagenham LBC’s Director for Growth and Homes has said that *“If Government were to impose this it would undoubtedly affect the business model of many local authority housing companies set up”.*

- 4.11 **‘Starter’ homes:** In January 2017, the Government announced the first wave of 30 local authority partnership areas where ‘Starter homes’ will be constructed, which included the Ebbsfleet Development Corporation. At that time, the houses were to be targeted at first-time buyers between the ages of 23 and 40 years old, at a discount of 20% below market value, and apply to properties worth up to £250,000 outside London, or £450,000 in London. Crucially, this will allow developers to build ‘Starter’ homes without having to contribute towards local social and community infrastructure under the existing Section 106 regime. **This has implications for KCC – for example, in view of its statutory responsibilities as Local Highway Authority and Local Education Authority.**

## **5. Consultations related to the White Paper**

- 5.1 There is a specific consultation that is separate to this White Paper on ‘Planning and affordable housing for Build to Rent’, which runs until 1 May 2017. The key proposals are to:
- Change the NPPF so authorities know they should plan proactively for Build to Rent where there is a need, and to make it easier for Build to Rent developers to offer affordable private rental homes instead of other types of affordable housing.
  - Ensure that family-friendly tenancies of three or more years are available for those tenants that want them on schemes that benefit from our changes.
- 5.2 **There are also a range of future consultations detailed in the White Paper:**
- 5.3 **Methodology for Assessing Housing Requirements:** The NPPF sets out clear criteria but does not prescribe a standard methodology. DCLG will publish a consultation this year, with the outcome reflected in changes to the NPPF. This will consult on what constitutes a reasonable justification for deviating from the standard methodology, and make this explicit in the NPPF.
- 5.4 **Compulsory Purchase:** The Government will prepare new guidance to LPAs following separate consultation, encouraging the use of their compulsory purchase powers to support the build out of stalled sites.
- 5.5 **Improving arrangements for capturing uplifts in land value for community benefit.** The Government will explore whether higher contributions can be collected from development as a consequence of land being released from the Green Belt.
- 5.6 **Planning Fees:** DCLG will increase nationally set planning fees. Local authorities will be able to increase fees by 20% from July 2017 if they commit to invest the

additional fee income in their planning department. Government are minded to allow an increase of a further 20% for those authorities who are delivering sufficient new homes, and they will consult further on the detail. DCLG will also consult on introducing a fee for making a planning appeal.

- 5.7 **Disposal of Land:** The White Paper proposes amending regulations so that all LPAs are able to dispose of land with the benefit of planning consent which they have granted to themselves. This is currently restricted to unitary authorities and Urban Development Corporations (UDCs). Government will consult on using powers in the Growth and Infrastructure Act 2013 to issue a new General Disposal Consent, which would enable authorities to dispose of land held for planning purposes at less than best consideration without the need for specific consent from the Secretary of State. The consultation will seek views on a threshold below which specific consent would not need to be obtained. They will also consult on revising the existing £2m threshold for the disposal of other (non-housing) land.
- 5.8 **Renters and Leaseholders:** There will be a consultation early this year, ahead of bringing forward legislation as soon as Parliamentary time allows, banning letting agent fees to tenants. The Government will also consult on a range of measures to tackle unfair and unreasonable abuses of leasehold.

## 6. Next Steps

- 6.1 The Housing White Paper is open for consultation until 2 May 2017, and a consultation response will be coordinated by the Growth, Environment and Transport (GET) Directorate.

## 7. Recommendation

The Policy & Resources Cabinet Committee is asked to consider and make recommendations on the White Paper.

## 8. Background Documents

The [Housing White Paper – ‘Fixing our broken housing market’](#) published on 7 February 2017.

## 9. Contact details

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