

# Building consent

HOUSING BY POPULAR DEMAND

#### **About Localis**

#### Who we are

We are a leading, independent think tank that was established in 2001. Our work promotes neo-localist ideas through research, events and commentary, covering a range of local and national domestic policy issues.

#### **Neo-localism**

Our research and policy programme is guided by the concept of neo-localism. Neo-localism is about giving places and people more control over the effects of globalisation. It is positive about promoting economic prosperity, but also enhancing other aspects of people's lives such as family and culture. It is not antiglobalisation, but wants to bend the mainstream of social and economic policy so that place is put at the centre of political thinking.

In particular our work is focused on four areas:

- Decentralising political economy. Developing and differentiating regional economies and an accompanying devolution of democratic leadership.
- **Empowering local leadership.** Elevating the role and responsibilities of local leaders in shaping and directing their place.
- Extending local civil capacity. The mission of the strategic authority
  as a convener of civil society; from private to charity sector, household to
  community.
- **Reforming public services.** Ideas to help save the public services and institutions upon which many in society depend.

#### What we do

We publish research throughout the year, from extensive reports to shorter pamphlets, on a diverse range of policy areas. We run a broad events programme, including roundtable discussions, panel events and an extensive party conference programme. We also run a membership network of local authorities and corporate fellows.

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#### Introduction

By Jonathan Werran, chief executive, Localis

That our word 'economy' derives from the ancient Greek 'oikos' meaning household is normally a decent ruse for reducing to everyday domestic level understanding the bewildering and unfathomable financial forces and institutional powers that control our destiny.

If as Nietzsche posited, time is a flat circle, over the course of this century, housing and planning have seemingly been an expansive forever war with engagements endlessly refought over the historic terrain of previous policy battles. Whether it be Clement Attlee's new towns policy and planning regime, Harold MacMillan's success as Churchill's housing secretary in post war targets, Margaret Thatcher's introduction of Right to Buy, or Tony Blair's promotion of housing associations above councils as delivery agents, it's fair to say we've seen enough recurrences for one eternity.

As far as our national political economy, it seems as if George Orwell's categorisation in his essay 'The Lion and the Unicorn' of England as a household 'in which the young are generally thwarted and most of the power is in the hands of irresponsible uncles and bedridden aunts'.

Solving the myriad and interconnected problems of a national housing shortage will require the courage to make new history. Pushing through the smashed policy pillars of a broken housing market in the next parliament will require the political courage to take on vested interests opposed to housing growth. Twas ever thus. In April 1946 the novelist EM Forster took to the airwaves to condemn the new 'meteorite town' set to land on Stevenage, the setting for his novel 'Howard's End'. The following month, all hell broke loose when Lewis Silkin, Minister of Town and Country Planning came to persuade a raucous meeting in Stevenage Town Hall only to have protestors label him a 'dictator' and the 'Gestapo' and find the tyres of his official car deflated and sugar poured into its petrol tank.

The contributors to Localis's essay collection set out ideas for a hope-filled future in which the new homes and developments our country needs might be built in harmony with existing communities and in line with the contours of place. Our fifteen essays cover a lot of ground from diverse experiences and backgrounds, as planners, local politicians, policymakers and developers cover contexts from the rural to the very urban, greenfield to brownfield.

What unites them is a need for planning that is well-resourced to deliver the quality of results and outcomes we want to see, strategic in scope to integrate at scale and engaging and empathetic enough to carry local populations with them.

As Anna Clarke concludes in the last of our essays: 'This is about democracy, about educating, and making the case for new housing. It's balancing different viewpoints and needs.'

With this, I must express our sincere gratitude to all of our expert contributors for sharing individual viewpoints that contribute to a cohesive blueprint in the round for building consent by popular demand. And particular thanks to Andrew Taylor, Group Planning Director of the Vistry Group, for kindly sponsoring this essay collection.

ONE

## Developing agreement on housing supply: aligning community engagement and strategic spatial planning

BY CATRIONA RIDDELL, LOCALIS RESEARCH FELLOW

In 2011, the Coalition Government heralded a new world of 'Localism' and the 'Big Society' introducing "a ground-breaking shift in power to councils and communities overturning decades of central government control and starting a new era of people power".

Within this context, planning reforms were to be introduced<sup>2</sup> with the new Government "committed to localism and greater local decision-making in planning". Strategic spatial planning, which had been the backbone of the planning system since the 1960s, was to be abolished with Secretary of State, Eric Pickles, famously declaring that the "flawed top-down targets of regional planning, centrally imposing development upon communities, built nothing but resentment".

Regional spatial strategies were to be replaced with a new 'Duty to Cooperate' on local planning authorities which requires them to demonstrate how they have engaged 'constructively, actively and on an ongoing basis' to develop cross-boundary policies where needed. However, as became increasingly apparent as the new Duty was implemented, it does not require them to agree on any resolution to these strategic matters, rendering it ineffective to deliver long-term strategic outcomes, particularly in relation to meeting housing needs.

This was one of the conclusions of the government-appointed Local Plan Expert Group<sup>3</sup> in its 2016 report, finding that the lack of an effective approach to strategic planning was one of the main concerns of respondents in both the public and private sector "who recognise that some issues of agreeing the distribution of housing needs may prove intractable without a wider plan" and that the Duty to Cooperate "is not sufficient in itself to generate strategic planning across wider areas". It took another seven years, however, before the Government finally accepted this conclusion and revoked the Duty through the Levelling up and Regeneration Act (LURA).

Fast forward to today and according to recent research by Planning Magazine<sup>4</sup>, in 2023 we had the lowest number of local plans published, submitted for examination and adopted by local authorities since 2012. According to the Home Builders Federation<sup>5</sup>, we also have a steep downward trend in the number of applications submitted for new housing. For a plan-led system that is supposed to provide investor confidence and certainty for local communities about how the places they live in will change over time, this is not good news. For those many people who are attempting to access an already crowded housing market or are on housing waiting lists, this is not good news.

<sup>2</sup> DLUHC (2013) - New step for localism as every regional plan is gone

<sup>3</sup> Local Plans Expert Group (2016) – Report to the Communities Secretary and to the Minister of Housing and Planning

<sup>4</sup> Planning Magazine (2023) – Local Plan Watch: Plan-making hit rock bottom in 2023 as fewest plans published and adopted in more than a decade

<sup>5</sup> Home Builders Federation – Housing Pipeline Report Q3 2023

So what went wrong and what can be done about it? Let us start with why the loss of a robust approach to strategic planning across England has directly impacted on our ability to plan properly to meet the needs of local communities.

For nearly 50 years prior to 2010, a formal mandatory and comprehensive approach across England to strategic planning ensured that decisions on development were fully integrated with other socio-economic and environmental objectives, and were fully aligned with national, regional and sub-regional infrastructure priorities. Strategic plans acted as the essential pivot between national and local priorities, ensuring that high level priorities reflected local circumstances and context (and could be delivered locally). Vitally, they offered a larger spatial canvas to ensure greater choice in terms of how places grow, especially around larger towns and cities that are constrained by their administrative areas (and often Green Belt), directing development to the best places, not the least-worst.

The philosophy behind localism was not flawed in itself but its application through the planning system did result in a lot of the heavy lifting to support long-term growth being placed on the shoulders of local politicians. The post-2010 planning system, with housing targets being set locally and not through strategic plans, also resulted in a significant number of councils facing the need to plan for a lot more housing than ever before. With the emphasis on directing growth to the areas of least affordability, this has been especially challenging around London and Birmingham, with housing targets being three, four or even five times more than under pre-2010 systems. With no real ability to look at this on a larger spatial scale and redistribute, and no real ability to deliver genuinely affordable housing, the reaction of many councils and their local communities has simply been to say 'no'. For those councils that have elections every year, this has been even harder, with no respite from election campaigning to deliver local plans that can take a number of years to prepare.

Strategic plans allowed difficult political decisions to be made in the interest of the greater good where there are inevitably winners and losers; some places are simply better locations to support growth, especially where aligned with significant investment in new infrastructure. Strategic plans protected individual councils and councillors who were able to blame another higher authority (albeit they were usually part of the governance structures) and allowed them to get on and deliver through their own local plans. This 'blame game' between the tiers of plans worked because it helped to nurture a more constructive and positive relationship between councils and their local communities as the hard decisions around issues such as housing targets were effectively taken out of their hands.

Taking the more controversial issues out of the equation usually also meant faster local plan-making.

There is a promise hidden in the depths of a government consultation published last summer<sup>6</sup> to replace the Duty to Cooperate with a new 'policy alignment test' but as yet, there is no information on how this would work or even if it will be introduced at all. There is a potential role for Combined Authorities to take on statutory strategic planning powers through the preparation of spatial development strategies (SDS) but so far, only one of those has decided to go down this route (Liverpool City Region) and is treading sensitively around the issue of housing numbers and spatial distribution. There is also a new option in the LURA for councils outside of combined authorities to work together if they want, to prepare a joint SDS. Outside of Greater London, where a strategic plan for the whole area is required, this means that strategic planning remains completely voluntary. Under this regime, it is therefore very unlikely to be high up on councils' to-do list given the challenges they face around resourcing (and skills), let alone the challenges around working collaboratively on issues such as housing distribution and Green Belt.

With the prospect of a General Election on the horizon and the potential for a new Government, attention recently has been on what the Labour Party will do about the planning system. The Shadow Front Bench has hinted that strategic planning in some form will be part of their approach, especially to tackle some of the deep-rooted challenges around city growth and Green Belt.

Meanwhile, the voices shouting for a return of a more effective approach to strategic planning get wider and louder, from the British Property Federation<sup>7</sup> with concerns about how we plan long term for freight and logistics, to the Government's own Energy Networks Commissioner<sup>8</sup> with concerns about the lack of integration between electricity supply and development. As the All Party Parliamentary Group on Housing Markets and Delivery<sup>9</sup> put it: "A virtually cost-free policy lever, that can have immediate impact [on housing delivery], is to undertake effective strategic planning".

<sup>6</sup> DLUHC (2023) - Plan-making reforms: consultation on implementation

<sup>7</sup> British Property Federation (2023) – BPF calls for return to strategic planning to create a more effective planning framework for freight and logistics

<sup>8</sup> UK Energy Networks Commissioner (2023) – Accelerating electricity transmission network deployment: Electricity Networks Commissioner's recommendations

<sup>9</sup> Housing Markets and Delivery APPG (2023) – Hacking Housing: Nine supply-side hacks to fix our housing system error

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We know from our past experience that a more effective and comprehensive approach to strategic spatial planning delivers local plans quicker (they do not have to wait until the strategic plan is prepared) and helps facilitate more positive engagement at the local level, as some of the more divisive issues have already been resolved. If the current or incoming Government genuinely wants to boost housing delivery and believes that local communities should play an important role in shaping the places they live in, strategic planning has to be part of the solution.

But it is only part of the solution. The Government is introducing a new approach to local plan-making to reflect the priorities set out in the LURA. According to last year's consultation<sup>10</sup>, local plans will include "a locally distinct vision which will anchor the plan, provide strategic direction for the underpinning policies and set out measurable outcomes for the plan period". This is not a new concept as pre-2010 local plans were vision-led and outcome-focused but having a strategic tier of plans in place helped take the heat out of some of the more contentious issues such as housing numbers.

These new style plans will have to be prepared in conjunction with local communities, with 'engagement, participation and consultation' spread throughout the plan preparation process. This is good news but it will only work if councils are properly resourced to support effective engagement, both in terms of funding and skills.

Successful implementation will also require a significant shift in attitude of many local communities and councillors themselves who currently see planning as a regulatory function and often as something that causes harm. Planning done well is about creating good places for people; it should be a positive role for local authorities. With an increasing number of councillors coming through the campaigning route where they have been elected on the back of opposing a development or local plan, changing attitudes towards planning is going to be essential if a genuinely vision-led and outcome-focused plan-making system is to be (re)introduced.

This will require a much more holistic approach to councillor training which currently focuses on the regulatory responsibilities of planning committees and not the wider place-making role of councils which goes beyond statutory planning functions; roles around building climate and economic resilience, improving health and well-being and addressing socio-economic disparities all contribute to making good places. Strong leadership will obviously be vital, with political and officer leaders championing the positive value of planning and place-making.

Strategic spatial planning has a key role to play in getting the homes we need delivered but it will only work if it goes hand in hand with a change in attitude towards planning and the positive role it can and should play at the local level, supported by strong leadership, a cultural change in the value placed on the role planning and planners play, and the right resources.

TWO

### Doing things differently: Facilitating planning obligations innovation with communities

BY PROFESSOR SAMER BAGAEEN FRICS MRTPI, LOCALIS RESEARCH FELLOW; TECHNICAL DIRECTOR, ARCADIS; PROFESSOR OF PLANNING & RESILIENCE, UNIVERSITY OF KENT AND BRIGHTON & HOVE CITY COUNCILLOR

In February 2024, former civil servant Sue Gray announced that citizen juries, or assemblies, will be a central part of the Labour Party's agenda if elected to government. These could, allegedly, become key policy shaping and making tools<sup>11</sup>.

In bringing these juries forward, the Labour Party has been looking at success of citizens' juries in Ireland that had been instrumental in building consensus for constitutional changes, such as the end to the ban on abortion and allowing gay marriage. In Ireland, a 'Citizens' Assembly' is tasked with deliberating on matters of national importance. It is typically made up of 99 randomly selected members of the public and one appointed chairperson. Invitations are sent to randomly selected households, and from those who agree to take part, members are subsequently selected to reflect Irish society in terms of age, gender, social class and regional spread.

The method of inviting randomly selected households is not in itself new. Ipsos Mori had adopted the same approach when managing the recruitment process for the Oxford and Brighton and Hove citizens climate assemblies<sup>12</sup>. In Brighton and Hove, recruitment was conducted by the Sortition Foundation, which specialises in bringing together randomly selected, representative groups of people. Assembly members were recruited through a stratified random process, creating a group of 50 people reflecting the demographics of the city's population. A range of selection criteria were applied including gender; age; ethnicity; long-term illness or disability; occupation; car ownership; and area of the city.

The plan for juries comes hot on the heels of the Conservative Government's (now closed) consultation on the detailed operation of Street Vote Development Orders, which will inform the content of regulations using new powers in the Levelling Up and Regeneration Act 2023.

Both are similar in some respects, but they are also different. Critically, the Labour proposition takes powers away from officers, or civil servants, who, in Sue Gray's own words, would resist the measure noting that "Whitehall will not like this because they have no control."

But it is not only Whitehall that does not like losing control. Planning permissions and developer monies tend to have an interesting relationship, that most of the time dictates what, where and how critical pieces of community infrastructure are delivered.

The legal basis of planning agreements is set out in Section 106 of the Town & Country Planning Act 1990, hence the name, s106 agreements. An agreement under Section 106 is a legally binding private contract between a developer and a local planning authority and operates alongside statutory planning permission. Such agreements require developers to carry out specified obligations when implementing planning permissions and are the result of negotiations on these matters between the two parties. Obligations may be entered into to prescribe the nature of development, to secure a contribution from a developer to compensate for any loss or damage caused by a development, or to mitigate a development's wider impact. Obligations can be carried out either by providing what is needed to a standard specified in the agreement or by paying a sum to the planning authority which will then itself provide the facility.

Valuable and critical pieces of the infrastructure puzzle are normally delivered through these agreements. Sometimes they are not though, depending how long it takes to build out a permission – things do change after all when a build takes years to complete.

A quick search for publicly available material on the delivery of planning obligations under s106 agreements found a 2020 MHCLG report: 'The Incidence, Value and Delivery of Planning Obligations and Community Infrastructure Levy in England in 2018-19'13.

The first summary finding of this report is critical. Looking back at 2018-19, it found that 'the value of developer contributions agreed in England during the financial year 2018-19 was £7bn, an increase in the aggregate value of developer contributions agreed since 2016/17, up 16% in nominal terms from £6.0bn in 2016-17 (9% after adjusting for inflation)'.

The comparable figures for Scotland also tell a similar story  $^{14}$ . Large sums of money are tied up in s 106 agreements. In Scotland, based on estimates, in 2019-20, approximately £490m worth of developer contributions were agreed, of which £310m was for affordable housing and £180m towards infrastructure delivery costs. In 2017-18 the equivalent figure for affordable housing (excluding commuted sums) was £251m and that for 2018-19 was £220m. Thus, the agreed contributions for affordable housing had increased by more than a third over the three-year period.

<sup>13</sup> DLUHC (2019) – The Incidence, Value and Delivery of Planning Obligations and Community Infrastructure Levy in England 2018-19

<sup>14</sup> Scottish Government/LSE (2021) - The Value, Incidence and Impact of Developer Contributions in Scotland

The Welsh Government had previously taken the lead in unpacking this issue when, in 2007, it commissioned its own report, 'The Use and Value of Planning Obligations in Wales' 15.

We know more about the sums committed, but what has changed since those early days when Wales commissioned the 2007 report? Possibly, not much has changed. Not surprising given Sue Gray's 2024 comments about civil servants' resistance to change!

A Home Builders Federation report (2023), 'Section 106 Agreements and unspent developer contributions in England & Wales' 16, found that local authorities in England and Wales are, on average, sitting on over £8m in unspent developer contributions. From a sample of 171 local councils who provided data following a Freedom of Information request, the HBF found that more than £1.4bn remained unspent, including over £280m specifically earmarked to provide much-needed affordable housing for local residents. There will be local nuances in some places for why this is so but the scale of the problem is huge.

These figures reinforce the trends identified by Home Builders Federation, that local authorities, in major cities, with communities at the sharp end of the housing crisis where the ratio of income to house prices is highest, are holding significant sums of monies (accruing interest) that have been allocated for affordable housing or community infrastructure.

The HBF list of the highest amounts of unspent affordable housing contributions includes London boroughs, with Leeds, Oxford and Newcastle City Councils also among the top ten. According to the HBF, the Royal Borough of Kensington and Chelsea holds more in funds allocated for affordable housing than any other council which responded, with over £20m unspent. Outside of London, Leeds City Council holds the most amount of money allocated for affordable housing (£17m).

<sup>15</sup> Welsh Assembly Government (2007) – The Use and Value of Planning Obligations in Wales

<sup>16</sup> Home Builders Federation (2023) – <u>Section 106 Agreement sand unspent developer contributions in England & Wales</u>

In Brighton and Hove, a recent committee report <sup>17</sup> notes that the \$106 monies held on 31 March 2023 stood at £22.7m. This was a reduction from the £23.5m held at 31 March the previous year. Nottingham City Council had a balance of £10.6m for the same period <sup>18</sup>.

Surprisingly, this remains an area under the firm grip of officers in local government, with little or no meaningful public scrutiny.

Where community groups or members of the public got close to agreeing projects against which developer contribution funding can be allocated, firsthand experience demonstrates that they lose out, as officers either refuse or are unwilling to relinquish control of the additional spending power.

Interestingly, a different way of working is being forged in Hove where a community liaison group has been convened by a BTR landowner following the grant of planning permission so local people can identify local projects in partnership with their elected ward councillors. This process followed the heads of terms established via an officer's report and public committee resolution whilst utilising some (but not all) of £1.8m open space and recreational s106 monies. The essence of this was that local projects utilising local monies, identified by local people, are the ones that should be delivered locally.

This way of working was an excellent way of encouraging people to be genuinely involved in the planning system which can often seem remote and alien to the person on the street. It also genuinely enabled local people to see a range of local benefits being delivered locally, answering head-on the question often directed at the planning system by residents of "how does this application benefit existing local residents?".

This liaison group was convened in 2022 and consisted of members of the local community, a civic society, a neighbourhood forum, a 'Friends of' group and ward councillors working in a collaborative cross-party manner. Eight primary projects focused on environmental and sporting enhancements in close proximity to the site were voted on by the group and agreed in late 2022. This followed a robust and comprehensive exercise involving local councillors and officers on their suitability, discussions focused on indicative cost budgets and securing wider community buy-in. The landowner developer provided meeting accommodation, refreshments and technical expertise but did not seek to influence the selection of the projects.

<sup>17</sup> Brighton & Hove City Council (2023) – <u>Annual Infrastructure Funding Statement 2022/23 and Neighbourhood CIL Update</u>

<sup>18</sup> Nottingham City Council (2022) - Annual Infrastructure Funding Statement 2021-22

This process generated genuine enthusiasm and excitement from everyone involved based on the fact that the voices of local people were being listened to and respected, and via the s106 monies there was now a realistic prospect that these local projects would be delivered for the benefit of local people. This is true localism with local people being involved and respected.

At a time when local authorities are under significant resource pressure, energising the local community in this way on a voluntary resource basis via \$106 monies was a great way of helping stretched planning departments focus on locally identified projects whilst creating good-will within the local community and helping the reputation of the planning system by making it more relatable and transparent.

A position paper drafted by officers advocating new procurement arrangements has since been prepared to deliver these projects, which again helps to place the benefits to be derived from the \$106 monies in the hands of the local community but with checks and balances built in so officers can oversee and ensure the projects are delivered in the right way. Arguably, this was true localism at work which officers and elected councillors should not be afraid of or shy away from, particularly when the planning officer's report and member approval at planning committee identified clear project areas.

As a resident put it when writing to the local MP about the liaison group, "The transparent and accountable use of \$106 funds is an ideal opportunity for the council to engage with local communities in a meaningful way whilst investing in initiatives and infrastructure". This is particularly true at a time when local authorities are having to make very difficult choices.

Challenges continue to exist as the city council faces build cost pressures of their own (not unique to Hove) and there is community concern s106 budgets will be stripped from these projects to be spent elsewhere on schemes more remote from the site where costs have escalated with resulting gaps in financing. It's crucial that the voices of the local community are respected and that the trust built up over two years isn't lost. For whilst genuine excitement exists now, failure to deliver on the wishes of the local community will be hugely costly from a relationship perspective and will unfortunately reinforce the remote, opaque and unrelatable reputation that so many people feel towards the planning system, and the question "how does this benefit existing local residents?" will remain unanswered leading to anger, resentment and frustration.

#### **Concluding thoughts**

Back to Labour's proposals for citizens' juries. If they are to be credible, they would have to take away control and power over decision-making, and spend, from those who have always held the purse strings. If the experience of the community in Hove demonstrates anything, it is that trust and money go hand in hand: when you build trust, you have to let go of the money. Hove could yet succeed, but it could also end up as a wasted opportunity to deliver much needed community infrastructure.

Developer contributions are a key component of any council's approach to planning and delivering infrastructure for their area. Taking an integrated approach towards infrastructure funding and delivery, as councils can sometimes do, can maximise how income is used, ensure it is allocated towards the right infrastructure priorities, leading to sustainable development and growth. This is not something any sensible council would want delegate to community groups. Or is it?

PAS and the LGA tried to set some ground rules for this a few years ago, but, surprisingly, not a lot has changed since 2020<sup>19</sup>, and I have not been able to find any follow-on material.

This PAS and LGA handbook, 'Improving the governance of developer contributions', was intended to help improve the ways that councils manage and allocate developer contributions. This was to ensure that money invoiced (in a timely manner) and collected was used to deliver infrastructure in an efficient, transparent, robust and effective way.

That's the crux of it. It's about trust, but it is also about the funding, and experience on the ground shows that you cannot have one without the other.

<sup>19</sup> Planning Advisory Service (2021) – <u>Improving the governance of developer contributions</u> – <u>full guidance</u> handbook

THRFF

## A local planning system that works for all

BY RICHARD BLYTH, HEAD OF POLICY AND PRACTICE, RTPI

It is almost a truism that everyone wants there to be more homes, but not near where they live. We live in a democracy, and the construction of new homes by government fiat, with no local support, is a recipe for failure. So how do we achieve local buy-in to something we all want?

#### **Building infrastructure**

Residents often cite pressure on local infrastructure as a reason to object to housing growth. This is a little difficult to assess, as we don't have an alternate reality where schemes are always provided with all the infrastructure necessary to support them. Sadly, over the decades communities have become somewhat inured to offers of infrastructure provision, which often are not followed through. And in some areas, such as 1930s suburbs, changes in the way homes are occupied have generated large infrastructure demands completely outside the planning process. In these cases new development is proposed in places with already existing infrastructure deficits, which hardly makes it easy to make the case for it.

Rather than trying to introduce a new Infrastructure Levy, the next government should reform Section 106 and the Community Infrastructure Levy making these tools easier for councils to use and more responsive to the public service, green space, affordable housing and utilities needs of growing communities outlined in local plans.

One area where communities are frequently let down is completed housing schemes falling short in both quality and infrastructure provision when contrasted with proposals included in local plans. We consider that to benefit developers, local plan allocations should be honoured in the process of determining planning applications, and equally, developers should honour the commitments made when sites were allocated. The local plan should take pride of place.

#### **Planning positively**

For the last 40 years many debates around planning have focused on planning applications, and to a lesser extent, local plans. This, combined with cutting non-essential non statutory local government activities to the bone, means that the potential of planning has been sorely wasted. If you travel around the country, it doesn't take you long to find properties and land in poor, or even zero, use. So, whilst there has been a lot of focus on how fast planning applications have been processed, and on what proportion of them have become planning permissions, there needs to be an equal focus on where we haven't had planning applications. Why are some sites rarely or never the subject of a planning application?

We think the next government should support councils to play a 'master developer' role, assembling and supplying land. England should follow European examples of cities which assemble, masterplan and provide infrastructure on suitable sites, before selling them back to – particularly small and community-led – developers or self-builders with permissions to build.

We think that the government also should scale up the remediation of brownfield land to encourage development on well-located sites. The government should help councils remove constraints on previously developed land.

#### Working together

When considering local buy-in, one challenge is defining "local". Over the years, planning policy has become more and more local, and received a big shove in this direction in the Localism Act 2012 when district local planning authorities were left as the only bodies with authority over the planning around them, in what experts call "functional areas". This simply means that people cross boundaries for reasons like work, shopping etc. And even if you don't leave your home much at all, the economy of your local area will be dependent on neighbouring areas. Some of the richest parts of the country are just fortunate because they adjoin successful city economies.

Cities all over the world are grappling with this functional area problem, and it is clear that one answer to the "buy-in" problem is generating discussions over sufficiently wide areas as to include a wide range of people – people of different ages and in different circumstances.

The RTPI's "Planifesto<sup>20</sup>" calls on a future government to require metro-mayors and combined authorities to take and use planning powers that strengthen collaboration across housing market areas. Parties could reduce local political barriers that have often blocked new housing and infrastructure by requiring a majority – rather than unanimous – vote on Spatial Development Strategies.

The RTPI has commissioned a consortium of researchers to study the status and potential of strategic planning in England. We seek to find out where common cause and unarticulated demand for more effective strategic planning may exist. We hope to identify barriers which are preventing the emergence of more collaboration and to suggest ways round them. The work is funded by contributions from the three northern English regions of the RTPI.

#### **Getting planning done**

It is all very well discussing the way planning should ideally be done in councils, but the sad reality is that the capacity of local planning authorities has been severely reduced in the last 12 years. We published research on the state of the planning profession<sup>21</sup> in November 2023. Total public expenditure on planning services in England contracted from £1.4 billion in the 2009-10 financial year by 16% to £1.17 billion in 2022-23 (when adjusted for inflation). At the same time, income from planning services increased by 14% from £507 million to £577 million.

Taken together, however, growing income from planning services did not translate into more money spent on planning. This is because direct public investment in planning has been decreasing: real net current expenditure on planning services fell 33.34% between 2009 and 2021 (from £893 million to £594 million). Recent planning fee increases (25% for minor and 35% for major applications) may slow the decline in LPA resourcing. However, they are unlikely to reverse this trend without ringfencing the additional revenue for planning services or recovering the full costs of development management. These increases may also come too late to stop planned cuts in staff at some planning departments.

Therefore, we call on a future government to provide sufficient funding, enabling planning services to kick start and shape development to meet the needs of their communities. Allow councils to set planning fees at a level to recover the full costs of determining applications, funding a sustainable, reliable system for residents and businesses.

In consultation with our members, and by looking at models elsewhere, the RTPI has developed an approach for public sector improvement to better develop planning skills and respond effectively to local leaders and communities' needs. Planning Agencies<sup>22</sup> are voluntary, shared services arrangements that local planning authorities could use to share responsibility for delivering planning services across local planning authority boundaries. They could be used to pool resources, add capacity and offer multi-disciplinary support that communities need to shape places and tackle inequality and climate change.

RTPI (2023) – State of the Profession 2023

<sup>22</sup> RTPI - Planning Agencies

We are somewhat conscious that one reason for resource shortages is the degree of influence that planning has within local authorities. Through a detailed analysis of management structures in 212 local authorities, we found<sup>23</sup> that only 23% of local authorities surveyed in the UK and Ireland had a head of planning service that reported directly to the local authority chief executive. A significant variation in management structures was observed within and across regions. This study also found that 9% of local authorities had no clear role assigned to the head of planning service.

Therefore, we call on the government to mandate that there is a professionally qualified Chief Planner in every council to help improve the quality of planning services and significantly improve their capacity to deliver the support that councillors and the public expect and need.

#### **Setting planners free**

Across the public, private and third sectors, planners are catalysts of change and champions of sustainable development. We develop policy and plans that help residents and businesses to thrive, we bring the voice of local people into decisions about their area and we constantly strive to tackle the most pressing economic, social and environmental challenges. To do this to the best of our ability, we do need sufficient resources, and a supportive wider policy environment.

**FOUR** 

## Re-building consent: developing agreement on housing supply – why community participation matters

BY ANDREW TAYLOR, GROUP PLANNING DIRECTOR, VISTRY GROUP

The planning process is complex and emotive, partly because developers, local councils and residents tend to treat each other with suspicion. The temptation of all parties to hold each other at arm's length makes a meaningful conversation difficult, and this does little to help speed up the process and create a development that meets everyone's needs.

Ultimately, the public and private sector have the same aims. Developers are investing in a community by increasing housing stock, creating new amenities, transport links, and retail and leisure space. By improving the wider environment, people's lives are similarly improved – jobs are created, commutes are made easier, forgotten green spaces are revived. Yes, developers need to make a profit, but local authorities also benefit, not just from improved facilities for communities, but also from a long-term increase in business rates and council tax revenues.

To get the best for communities, whilst delivering housing, developers and communities must put away their distrust and build productive, engaged relationships. Of course, every project is different, but the rules of thumb below can help pave the way to a successful relationship.

#### Talk early and talk often

If local councils and developers do not meet before a planning application has been submitted, it can be difficult to make meaningful changes further down the line. The time to influence the direction of development is while plans are being created.

While resources for all communities are strained, prioritising engagement at an early stage can save time later in the planning process by communicating the desires and aspirations clearly upfront. Some communities refuse to meet altogether, which is unhelpful for everyone: there is everything to gain by being involved in an early and active dialogue.

#### Get everyone together

It can sometimes be difficult to get all the stakeholder groups in one room, which increases the chance of unforeseen issues later down the line. One way around this is for councils and developers to organise workshop sessions on key issues, such as infrastructure or environmental matters. By inviting representatives from the various stakeholder groups, including local communities and key agencies, concerns on any given subject can be raised, addressed and – where possible – reflected in the plans. These focused conversations can go a long way towards improving interactions between all stakeholders.

#### Keep an open mind

With large-scale projects particularly, there will inevitably be amendments to the plans along the way. Often, these changes cause quarrels simply because something new is being suggested. Whilst it is important to argue against change that compromises quality, it is important to consider these amendments and the reasons for them carefully: often openness to new ideas can improve the final scheme

#### Make it personal

As in any sector, personal relationships go a long way. For best results, councils and developers should get to know the individuals behind the organisations. A friendly approach is often a more efficient way to get results.

This also applies once development has started. Building a rapport with the site foreman can be invaluable. Maintaining regular contact and using them as the first port of call should any issues arise can ease any potential complications or frustrations during the construction phase.

#### Think long term

The planning process is neither simple nor swift. Councils and developers will inevitably come to disagreements along the way, but they needn't be at loggerheads. If councils and developers can work collaboratively, building constructive, long-term relationships, the schemes they produce are likely to be better for all concerned.

At Vistry, our schemes should create a lasting positive legacy in the communities in which they are located. This means that care, attention to detail and considerate design should be adopted from the very beginning of every project.

Behind everything we do at Vistry is our unifying purpose to create places people love. This means thinking beyond just building houses to also thinking critically about the social and digital infrastructure, and the transport and green spaces that will answer local needs, engaging and empowering the communities around us.

Creating places people love is more than just creating quality, sustainable buildings. It's about supporting and engaging with communities at every stage. From understanding the needs of the communities and responding in the way we design our developments, to working closely with our partners and clients to engage and empower communities throughout the whole development process, we place communities at the heart of everything we do.

With community-based participation at its centre, an effective placemaking process can capitalise on a local community's assets, inspiration, and potential. This results in the creation of quality public spaces that contribute to people's health, happiness, and well-being. When people of all ages, abilities, and socioeconomic backgrounds can not only access and enjoy a place, but also play a key role in its identity, creation, and maintenance, that is when we see genuine placemaking in action.

FIVE

# Housing as infrastructure: a fairer future for all

BY ANDY VON BRADSKY, DIRECTOR, VON BRADSKY ENTERPRISES AND FORMER HEAD OF ARCHITECTURE, MHCLG

Britain's housing stock must be regarded as essential infrastructure that delivers public good. Every citizen should enjoy a comfortable, safe and secure home – just as everyone has a right to clean water and affordable energy. Like all infrastructure it should be well located, well designed, sustainable, affordable and built to a high quality. It should cater for all in society and lead to balanced, integrated communities.

A 'tipping point' has been reached, requiring a change to housing design and delivery: addressing climate change, improving health and wellbeing, addressing post-Brexit impacts, and embracing technical and digital transformations. Government must also deal with the faltering housing supply, acute shortage of affordable homes, poor condition of the existing housing stock and lack of productivity. Delivery of new homes and improving existing homes should be a driver to reboot the economy. Effective strategies will differ regionally and locally to reflect local housing market conditions.

The sector requires both public and private sector investment at all stages of the process, from strategic planning through to delivery and continuing neighbourhood management. A rebalancing of the roles of the private sector and public sector is essential so there is a partnership for change. We need to challenge the institutional mindset that the private sector alone can deliver beneficial change.

This entails a change of culture and approach – making the economic case for change, bringing leadership, government apparatus, institutional bodies and communities on a journey of transformation to deliver good housing for all based on fairness, aspiration and hope.

The following is a 10-point plan for a culture change over the longer term.

#### 1. Treat housing as national infrastructure with the necessary public investment, co-ordination and intervention.

Government has promised 'more, better, faster' housing delivery, but reliance on the market has failed to deliver. A new national plan should treat housing as essential national infrastructure, co-ordinated with sustainable transport, utilities, education, employment, and health facilities.

#### Empower democratically accountable regional bodies to deliver spatial planning and investment

The national housing plan should be informed by local consultation and delivered through regional structures, empowered to align infrastructure and economic development with housing growth. This requires civic leadership and proactive planning by properly skilled and resourced local authorities. Communities need the confidence that existing social and technical infrastructure will not be overwhelmed by new homes, and instead expanded and improved in tandem with new development.

There should be reinvestment in local authority skills and resources to deliver place leadership, urban design, sustainability, heritage & conservation, cultural programming, and community engagement. Public land should be retained and developed by local authorities, local development corporations or community land trust models to provide mixed tenure homes according to local housing need.

#### 3. Enable the Green Belt to deliver accessible open space, biodiversity and solutions to local housing need

The purpose of the Green Belt must be broadened to help deliver net zero carbon and to reconnect people with nature. The natural environment and green infrastructure should be enhanced and public access widened. Managed release for housing of no more than 5% of the Green Belt will provide affordable homes for those currently priced out of the housing market and relieve the negative impacts from unsustainable over-dense brownfield development. Green Belt homes must achieve exemplary environmental and design standards and help offset the carbon footprint of adjoining urban areas.

#### 4. Increase direct procurement of affordable housing for those in most need

The system of imposing Section 106 obligations on market housing developers to provide affordable housing is discredited by fractious and time-consuming arguments over financial viability assessments. Instead, most affordable housing should be grant funded using the collective receipts from non-negotiable formula-based levies, potentially on a wider range of development than just housing. A grant funded system would accelerate supply, reduce legal advisor costs and stabilise the land market.

#### 5. Invest in regeneration to deliver economic, social and environmental benefits

The current model of funding estate regeneration through cross subsidy from housing for sale is broken. In higher value areas it delivers over-dense development and fuels local resentment, while in poorer areas it simply cannot raise sufficient funds. Effective regeneration provides multiple social value benefits, including improved health, education and employment outcomes, and should be funded accordingly. Vacant shops and under-used shoppers' car parks present an opportunity to reshape town centres through managed retreat of High Street retail and injection of new life through housing infill, homes above shops and development of community uses and managed workspace.

#### 6. Improve placemaking and dampen land speculation by setting clear limits to urban density

Planning policy seeks to *optimise* the development of urban land, but this is translated into *maximisation* by the development industry and by a planning system which seeks multiple conflicting benefits through a process of negotiation. In practice successful land buyers bid on the assumption of achieving denser permissions than their competitors, and this leads to poor outcomes. Inflated land prices starve design and development budgets and over-dense developments make unsustainable places, which are alien to their context and unpopular with surrounding communities. Costly 'superdense' development is poorly suited for affordable housing and will hit leaseholders with unaffordable long-term maintenance bills.

#### 7. Mandate and monitor net zero carbon standards

For the UK to meet its net zero carbon obligation by 2050 requires a rigorous and consistent approach to all scales of residential development and domestic improvement. Local plans should include targets for environmental performance, energy in use, whole life carbon and embodied carbon based on recognised national standards such as LETI (Low Energy Transformation Initiative).

#### 8. Fund environmental upgrades to create a sustainable and healthy housing stock

The existing housing stock in England is one of the worst in Europe in terms of environmental performance, and government will need to fund an ambitious programme of improvement to meet 2050 net zero carbon obligations, starting with a new Decent Homes Standard covering upgrades to the building fabric. The standard must also create healthier homes and address widespread problems of damp and air quality. Initial investment in local authority stock will help build a reliable and skilled supply chain, which can then expand to serve the private rented sector, funded through tax incentives and grants.

#### 9. Put factory-based housing at the centre of industrial strategy

Off-site manufacture has long been trailed and there are many innovative systems and pilot projects to demonstrate improved quality, environmental and safety outcomes. Housing factories can reboot the wider economy, benefitting deprived areas and providing attractive careers for young people. However, roll-out has been disappointing, with traditional housebuilders resisting change and off site manufacturers folding when housebuilding slows. Government must lead the way by investing and providing financial guarantees for manufacturers.

#### 10. Use technology to empower consumers and learn from them

Post occupancy evaluation is an essential tool to learn from occupied buildings and their residents, and to compare actual and intended outcomes – technical, environmental and social. Lessons learned will improve future performance and consumer satisfaction. Digital engagement techniques, including social media, can broaden and widen community participation in local plan-making, design codes and regeneration programmes. Digital tools and modelling can revolutionise consumer choice, effectively enabling people to customise their own homes from a kit-of-parts menu.

#### Conclusion

In conclusion, a new Government needs to engender a positive and optimistic view of the future, particularly for young people, who have been disadvantaged over a long period, whilst older generations have benefitted from property wealth and advantageous fiscal policies. Our younger generations need to see that good quality affordable homes for ownership and rent at a range of values are within their reach. We need a 'soft revolution' through raising awareness and enthusiasm for how we address climate change, enhance our natural environment', embrace technological change and enable consumer choice and most importantly, the availability of affordable, quality homes for all.

SIX

# How can Labour councils and councillors build community consent for development?

BY CLLR. DARREN RODWELL, LEADER, LONDON BOROUGH OF BARKING & DAGENHAM AND HOUSING SPOKESPERSON FOR THE LOCAL GOVERNMENT ASSOCIATION

Britain is broken. The most anticipated general election in a generation is a chance to bring an end to 14 years of national decline and reset the clock. It is also a once in a lifetime opportunity to adopt a housing manifesto for our times: A right to rent, invest and build.

Brexit, a pandemic, stagnation, and an ongoing cost of living crisis (not to be confused with austerity which is doublespeak for public services cut to the bone). War abroad has sent prices rocketing at home and there has been the odd change of Prime Minister along the way. These have been our times.

Public services, contorted and misshaped by George Osborne and David Cameron's decade-old financial straight jacket. Local councils teetering on the edge, fingers poised over Section 114 notices – since 2010, there is not a single Budget Book in the land that does not include the word 'austerity'.

More than a million people dwell on a housing waiting list and record numbers languish in temporary accommodation (TA). Local Housing Allowances struggle to keep pace. The bill for TA footed by London Councils last year was £364m. One child in every classroom in London is homeless – no single statistic is more telling of our times.

Poor people paying rents and living poor lives enough to make Charles Dickens flinch if he was writing about it today.

Baby boomers, beware. Nothing is off limits when it comes to holding those responsible to account. Not since *Cathy Come Home* has a roof over your head felt more like a privilege than a right. But a right it is or should be.

These days even the Right to Buy, the centerpiece of Margaret Thatcher's property-owning democracy, is up for grabs across the political divide. Many of the homes that once dotted our estates have long been displaced by SOLD. They should have said GONE FOREVER – the receipts never made it back to Town Hall coffers. Instead, they were swallowed up by the Treasury. Not even the greengrocer's daughter would have failed to grasp the need to save in the good times and spend in the bad.

Those who do not own their home, and those who rent and lease or struggle with rollercoaster interest rates, could be forgiven for thinking they were abandoned long ago. Much needs to be done to put Britain back on the right tracks. Revenue coming into the Treasury will not be enough to bridge the gap. Tax rises are unpalatable for both main parties. That is why we need to build for Britain as part of a right to rent, invest and build.

A key strand of the Right to Rent is everyone should be able to rent a high-quality home, with security of tenure and at an affordable rent.

The current private rented sector is today a sector of last resort due to lack of housing supply. Despite four in 10 homes being rented, renters lack basic protections.

Charters have been popular ever since King John, but not since Magna Carta has there been a need to capture renters' rights or those who lease, alongside a national housing register setting down minimum standards and sharing information on property conditions – funded with contributions coming from both the public and private sector. This would eradicate the need for extortionate fees currently levied by private landlords and raise safety standards – if Grenfell has taught us nothing else it has shown us the need to do this.

As ever, rights go hand in hand with responsibilities. Part of the deal renters would be expected to pay on time as part of a social contract which considers affordability.

Rents based on average working incomes is not something we have heard said since Lloyd George uttered those famous words, homes for heroes 100 years ago. But a community rent model – starting from council/social equivalent through to submarket rents – is just that; based on the ability of renters to pay a percentage of their income at a truly affordable rent level is what we need today. It would also go some way to resuscitating our emaciated Housing Revenue Accounts lingering in the darkest recesses of local authority balance sheets, and it could be used as an investment mechanism for more sustainable technologies.

One of the ironies of our times is, once you are on the ladder, paying a mortgage can be cheaper than renting. But homeownership is out of reach for people especially for those under 40 without help from the bank of Mum and Dad. It is why we need a right to invest.

At the heart of a right to invest should be a housing bond which would enable entry level to home ownership. What would then follow is a 'flexi tenure' or a sliding scale of shared ownership or equity in a home that follows people reflecting the realities of their lives. This means homes at a range of tenures and rents, and the ability for people to change tenures including home ownership and back to renting if their circumstances change. We also need good quality housing options to make it easier for people to move house for work, or to downsize and free up a family home for someone else. By providing a range of homes at different tenures, we can make it easier for people's homes to adapt with them as their lives change.

Green initiatives are often the first to be put back in the box on grounds of affordability. But decarbonising our ageing housing stock is an economic choice. We need a major state-led programme to provide the upfront finance to fund the investment in energy efficiency across tenures. The state needs to lead this investment and to coordinate the delivery utilising institutional funding if we are to

secure outcomes at the speed and scale needed. And it's not simply an economic choice. The upfront costs would be offset by savings on bills, and greater energy security for hard-pressed families.

Just as our citizens deserve the right to have a sustainable and affordable roof over their head, so those who provide them need a chance to build them.

The **right to build** would include a national house building programme using a national building fund as part of a national builder's charter. This would mean committing to an ambitious programme of new housing delivery, focused on social and affordable homes and first-time buyers held at discounted prices in perpetuity. This requires a partnership between public and private, expanded public sector delivery capacity, and harnessing the prowess of the development sector to support government objectives.

In turn, this requires higher capital spending and nothing less than an 'activist' role for Homes England to unblock sites, pull in finance infrastructure, and push a masterplan-led approach to strategic sites, facilitating the use of Compulsory Purchase Orders and land assembly where needed.

This is a big ask, but it is not rocket science. The notion of a national building fund has come from ongoing conversations local government have been having with long-term institutional investors. And local government and public sector pension funds could help accelerate we need in to guarantee return by investing in affordable housing.

Nothing short of public/private partnership will deliver the housing we need in the 21st Century. In building new homes we are building communities for the future, built with integrity and built to last.

This means investment in modern construction methods, and homes that are sustainable and can be easily improved as new technologies are developed.

If we are to reset the clock, we need to win hearts as well as minds.

A right to rent, right to invest and a right to build would release energy in the British economy held back for decades, bringing together partners around a table with local government at the helm.

**SEVEN** 

## How can Conservative councillors build community consent for development?

BY CLLR. LINDA TAYLOR, LEADER, CORNWALL COUNCIL AND CONSERVATIVE VICE CHAIR OF THE LGA'S LOCAL INFRASTRUCTURE & NET ZERO BOARD

"Housing is the first of the social services. It is also one of the keys to increased productivity. Work, family life, health and education are all undermined by crowded houses. Therefore, a Conservative and Unionist government will give housing a priority second only to national defence."

(Conservative Party General Election Manifesto, 1951).

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As the above quote makes clear, the Conservative Party has long recognised the social and economic importance of housing policy, and promoting home ownership has always been one of our most important Conservative values.

Indeed, as our party's manifesto for the 2019 General Election noted, "People are happier, more secure and more rooted in their communities when they own their own home – and know that they can pass it on to future generations."

As well as being the right thing to do, promoting home ownership and building new homes at the levels required to support a true 'property-owning democracy' has also been central to the Conservative Party's electoral success in the post-war period.

For example, the achievement of the pledge to build 300,000 homes a year that was made in the 1951 manifesto laid the foundations for more than a decade of Conservative rule.

Meanwhile, in the 1980s, Margaret Thatcher's successful introduction of the 'right to buy' increased property ownership by 12 percent in just three years and contributed to a period of Conservative dominance that stretched into the late nineties.

However, whilst Conservatives are united in our belief in the importance of home ownership, it has become clear that we are simply not building enough new homes. To cite just one statistic, in 2016 only 34 percent of the adult population aged between 16-34 were owner-occupiers, whilst in 1995 property ownership for the same age group stood at 54 per cent <sup>24</sup>.

Meanwhile, research by the Adam Smith Institute in 2021<sup>25</sup>, co-published by CT Local, indicated that a commitment to build two million more decent homes, with the right infrastructure in place, could lead to 1.6 million people switching their support to the Conservatives – a swing that would see the government comfortably re-elected.

Of course, the electoral equation is not that simple as many Conservative councillors will be able to tell you about a controversy related to planning and development in their area which has resulted in a loss of votes, a loss of seats, or in the worst cases, lost control of a council.

In the Chesham and Amersham by-election – held just a few months after our historic win in the Hartlepool by-election – residents' concerns about perceived over-development were widely considered to be one of the key factors in our loss

<sup>24</sup> House of Commons Library (2017) – Home ownership & renting: demographics

<sup>25</sup> Adam Smith Institute (2021) – Build Me Up, Level Up: Popular homebuilding while boosting local communities

to the Lib Dems (who exploited these concerns in a typically opportunistic and hypocritical manner).

Whilst there is an irony in the fact that those who are the loudest in objecting to development in the vicinity of their own homes are sometimes the same people who complain that their children and grandchildren cannot get on the property ladder, we should recognise that not all objections are based on NIMBYISM. Concerns about design, scale, and the impact of large-scale building on local infrastructure are often reasonable and made in good faith.

The government clearly recognises the problem that we are facing, and in 2019 pledged to build 300,000 new homes a year by the mid-2020s. In the context of the pandemic, solid progress has been made, with 212,570 new homes being built in 2022/2023, and it is likely that a similar pledge will be contained in our manifesto for the coming general election.

With Conservative councils and councillors being integral to the successful delivery of such a target, the question that Localis has posed for this essay is particularly pertinent, and I am delighted to have the opportunity to respond on behalf of the LGA Conservative Group.

In my opinion, by far the most important thing that we can do to ensure public consent for development on the scale that we aspire to is to ensure that the necessary infrastructure – roads, schools, GP surgeries, community facilities, utilities, etc – is in place to deliver sustainable development that supports both the existing community and its new residents.

I am therefore delighted that the government's Single Housing Infrastructure Fund (HIF) is currently allocating over £4bn to councils across the country to unlock up to 324,000 new homes in the areas that have the greatest demand for housing. Funding such as this is critical to ensuring that more homes mean better, not more stretched, local infrastructure.

Secondly, it is crucial that new development is of a high quality and fits in as much as possible with existing development. For this reason, the LGA supports the principle of design codes which will further empower communities to shape the areas in which they live.

Thirdly, I would like to highlight two very recent developments which the LGA has welcomed and a further change that we continue to lobby for.

In December 2023, the government amended the National Planning Policy Framework to bring in more protections from speculative development for areas 38 LOCALIS.ORG.UK

with neighbourhood plans by extending protections for plans that are up to five years old (previously it was for two years). This change, which I strongly welcome, recognises and supports the commitment and efforts of communities to plan for their local areas.

At the same time, the government also removed the requirement for councils to maintain a rolling five-year supply of deliverable land for housing where their plan is up to date (i.e. adopted within the past five years). This should curb speculative development and 'planning by appeal', giving greater clarity and confidence to local communities in relation to future development in their areas and help councils plan more strategically for local infrastructure.

This change will also give local plans more weight when councils determine planning applications. This is fundamental to a genuinely local, plan-led system, and supports the government's ambition to empower local leaders and communities to take control of and shape the areas in which they live.

Notwithstanding these positive recent developments, the LGA continues to call on the government to revoke permitted development rights<sup>26</sup> as we believe that this is an ad hoc and disconnected approach to development that undermines councils' abilities to make decisions that reflect local need and to preserve and enhance the unique and distinctive characters of local areas.

In summary, I firmly believe that only a truly locally-led planning system in which councils, councillors, and the communities that they represent have a real say over development will ensure the delivery of high-quality affordable homes with the necessary infrastructure to create sustainable, resilient and desirable places for current and future generations.

Finally, although this essay has been focused on the specific question of how we can build community consent for new development, I would also like to highlight the fact that our LGA Conservative Group Manifesto, which we published recently, has a chapter dedicated to housing policy and our key 'asks' for the party's general election manifesto.

You can download a copy of the manifesto at LGA Conservatives | Local Government Association<sup>27</sup>, and I hope that, alongside this essay, you will find it a useful contribution to the debate about how we can build the homes of the future.

Local Government Association (2023) - Consultation on Permitted Development Rights

<sup>27</sup> LGA Conservative Group - Manifesto

FIGHT

# How can Liberal Democrat councils and councillors build community consent for development?

BY CLLR. JOE HARRIS, LEADER, COTSWOLD DISTRICT COUNCIL AND LEADER OF THE LGA LIBERAL DEMOCRAT GROUP

It is widely accepted that we have an affordable housing crisis. In particular, for many younger people buying a home of their own is a pipe dream. Many people tell pollsters that they would accept development locally. Yet when an application comes forward, new developments in many areas remain controversial and run into opposition. Liberal Democrats, with our tradition of consulting with, listening to and working for communities, have a part to play in providing solutions.

So how should we go about it? There are some people who think that just yelling "Nimby!" at people will magically remove opposition to new housing.

An alternative approach is to make a positive case for the right types of homes in the right places – and of course for the infrastructure needed to support it.

### **Affordable Housing**

First of all, a concern that many will have heard, is "but none of these houses planned will be affordable".

To address this, we need to point to plans to make housing more affordable. As a country it has become glaringly obvious that we need to provide more truly affordable housing. Margaret Thatcher's Right to Buy provided some with the chance of home ownership who otherwise would not have done so; but has led to almost 45 years of seeing a slow decimation of truly affordable council housing, including 2 million sold in the first 15 years of its operation. The Local Government Association, on a cross-party basis,has now warned that the Right to Buy cannot go on without serious reform – and I agree.

I am pleased that Liberal Democrats are committed to building 150,000 social homes each year, including new council houses, and giving councils greater power to borrow to build. A key part of any reform would be changing rules on the Right to Buy, allowing councils to determine the level of discount (if any) and to ensure that councils would retain all the right to buy receipts so any that do get sold can be replaced.

The Local Government Association is also committed to lobbying to change the Right to Buy along similar lines, including calling for new build and retrofitted houses to be exempt from the right to buy. This would mean councils could then be building at a significant scale.

Liberal Democrats would make this tenure more affordable by linking rents to local incomes, in a more effective way than is achieved by the current social rent formula.

Liberal Democrat Councillors and councils are supporting this across the country – to give two examples, Kingston Upon Thames – building new council flats for the first

time in decades – and Portsmouth – where the city council is buying back hundreds of council flats sold under the Right to Buy as well as building new council houses.

And there are of course other options out there to bring home ownership into the reach of others, for example 'rent to buy schemes' and a shared ownership model – an option taken up by some councils when they also build new properties just for rent. Community Land Trusts are building new affordable homes – for example in Cornwall, where hundreds of properties now house local families.

Affordable Housing isn't all about rented homes, homeownership is the aspiration of so many, and is why I am a great fan of "Rent to Buy" delivered by people like Rentplus Homes, I have seen what it can deliver in places like South Cambridgeshire and Oadby & Wigston, allowing people to get onto the property ladder, and is so much "fairer" then shared ownership in my mind.

The Conservatives have failed comprehensively to deliver social homes, and their plan to bring 'Right to Buy' to Housing Association stock – if it ever comes off – will just make the situation worse. It will diminish the supply of social housing and make the affordable housing crisis worse. And that's leaving aside the ethics of forcing Housing Associations – many of whom are registered charities – to dispose of assets. For those wondering why not just leave it to the market to provide enough affordable housing, I say back to them that the market hasn't delivered affordable housing since the early eighties, so it is time for an alternative approach

### Involving local people and communities

Another very important step is to address a perceived democratic deficit in the planning process. People often feel that they are powerless; that the planning system is stacked against them. Navigating that system is not straightforward to put it politely and people often don't feel that they are listened to. Consultation with the public should be a genuine two-way street with the local community being seen as a key partner in the process, not as an opponent.

In other words, we need an approach that works with and for communities, not one which is developer led.

And it is important to reach out and engage with groups often under-represented in the planning process, including younger people. There are also many people who, due to other demands on their time, simply don't have the capacity to spend a lot of time attending meetings. When councils prepare their Local Plans, they need to specifically reach out to those groups.

Neighbourhood Plans, when done well, can play a part in delivering more houses, but those organising them at a community level need more support, guidance and resources. They are not perfect but can enable communities to say "yes" to some new housing, alongside the ability to say which community assets are important to them (including where development should not go) and what infrastructure needs improvement.

More importantly, when finalised, Neighbourhood Plans should be given far greater protection if a Local Plan changes. Otherwise it becomes a betrayal of democracy – people involved with the production of a local plan – often undertaking all this on a voluntary basis – will think "what was the point of us undergoing years of hard work drawing one up if it can just be overturned once it is signed off?"

Other measures could also be used in both Neighbourhood Plans and Local Plans – for instance involving local citizens assemblies, proportionately drawn to reflect the area's population.

Local Plan production also need to be fully resourced. And the government needs to work with councils to ensure that there are enough qualified planning staff to support the planning process, no matter if that is in the Local Plan or individual planning applications.

Liberal Democrats would create a properly resourced system where everyone's voice is heard and all are treated fairly and are able to have their say.

### Infrastructure

Another key worry that people have is all too often development gets proposed in their area without any substantive investment in local infrastructure. No matter if it is road capacity, GP surgeries, sewers, schools, public transport or any other issue, developments and the extra pressure they bring on local services need to be properly resolved and local planning authorities need the power to force this.

For example, local authorities should have more power to require utility providers to be far more active participants in the planning process, and councils should have the power to require those companies and organisations to attend planning committee meetings when an application is discussed.

And other factors must be included – when planning a new development, what jobs will the new residents do? How will they be able to access their places of employment?

We should instead be aiming for an integrated planning system that brings everyone involved with different levels of service provision round the table. Utilities, public service providers and other organisations should be actively involved in the planning system, as opposed to simply being consultees.

LGA analysis shows that there are around a million houses with planning permission – it surely makes sense to ensure these get built out. Sometimes this can be due to the need to improve infrastructure locally, but at the moment there is not the funding and powers to provide it.

In other cases, it is down to developers not building despite a site being suitable without extra infrastructure. Tougher powers for councils are needed to implement "use it or lose it" for planning permissions – if developers do not act fast enough they either lose their permission and have to go through the whole process again, or the local authority could take over a 'stalled site'. There are other options here to get stalled sites built – for example a council could agree to buy housing once a site is completed, a technique used by Lib Dem Eastleigh Council which enabled development to go ahead.

### Self-build

Self-build housing is an area where we as Liberals should be encouraging more of when possible. It values individual contributions and gives more control to residents in shaping where they live. Liberal Democrats, by giving more funding to planning departments, would help get more of these completed, providing another source of new housing.

### **Second homes**

Very often these are in areas of high tourism such as Devon, Cornwall or the Lake District. Liberal Democrats support the right to property ownership but we would give local authorities the power to charge up to 500% council tax on second homes if they so wish, and to have the power to refuse any new second homes in their area by giving second homes a new planning class. Too many local residents in these areas get priced out at the moment, this would provide more options.

### **Viability**

Developers should not be able to avoid an obligation to build new affordable housing or other local environmental improvements by citing viability concerns. If they do have genuine concerns over meeting the costs then they should be required to go back to a planning committee and get formal approval for any changes – but this should only be in exceptional circumstances.

### **Summary**

In summary, there is no magic solution but a real Liberal approach would provide genuine community engagement. It would provide a balance that builds communities and the right types of housing that are suitable for an area's needs alongside respecting genuine planning constraints.

NINF

### Housing in the Core Cities

BY STEPHEN JONES, DIRECTOR, CORE CITIES UK

When I was thinking about what I might contribute to this essay collection I found myself going back half my age ago to my first professional job, where I had the privilege to work on the economic analysis underpinning Kate Barker's *Review of Housing Supply*. It was the first time any of my work would be published and my first experience of formatting charts to meet a style guide, so I became intensely familiar with the numbers in that report on housing affordability, social housing requirements to meet demographic change and housebuilding. I have dipped in and out of housing policy in the subsequent two decades and do not have the instant recall of the numbers that I used to have.

However, from a cursory look at the same charts, things have not improved. The challenges identified at the turn of the century are still with us and in many cases have worsened. It is in this context that I offer some thoughts on why housing policy has been largely ineffective in tackling the problems and what the implications and opportunities may be for our major cities in the UK.

Looking at the recent Government announcement on housing is illustrative of the problem. In their press release, they state, "As part of its long-term plan for housing, the government has announced today (13 February 2024) that every council in England will be told that they will need to prioritise brownfield developments and instructed to be less bureaucratic and more flexible in applying policies that halt housebuilding on brownfield land." There is limited discernible difference in the requirement announced here and the requirement in the 2018 National Planning Policy Framework to "make as much use as possible of suitable brownfield sites and underutilised land" or the brownfield first principle that underpinned John Prescott's Planning for the Communities of the Future (1998) which described "a sequential and phased approach to the development of all sites, which means there will be a general preference for building on previously-developed sites first, especially in urban areas".

At Core Cities we have always been strong advocates of building more densely on brownfield land in our urban areas. This not only provides homes for people that need them but is good for the economy and good for the environment. However, just willing houses to be built more densely in urban areas through changes to planning policy alone is not going to fix the problem.

If we are to tackle the housing crisis in our cities and across the country, then we need to start to address some inherent tensions in our policy framework.

### Planning policy is not a free hit

It is not a surprise at this stage of a Parliament and with the fiscal position precarious that the Government is looking again at tweaks to planning policy to try to bring forward housebuilding. If you look back through the plethora of growth strategies published in the last 20 years you will see planning reform in there as a returning character. There are enough stakeholders in the development industry who will identify planning policy as a drag on growth that can be found to cheerlead a new announcement. And for the Treasury, they can enact a regulatory change without needing a large injection of public cash.

However, the planning system is not cost free. If we look at the data for the last decade it illustrates where the constraints are in the system. Within England, the

percentage of planning applications that are granted has remained constant at 88% each and every year. This figure is mirrored at the Core Cities level too. However, over this same time frame, the percentage of decisions that have been made within the statutory timeframes have fallen year-on-year from 78% in 2013/14 down to 46% in 2022/23.

An argument could be made that this rise in planning delays is due to a growth in the complexity and bureaucracy of the planning process. That would not be a vote of confidence in the reforms introduced over that period. However, it feels more likely that this is a consequence of the dramatic reduction in capacity within local planning authorities as a result of austerity. In the Urban Futures Commission that we as Core Cities published last with the RSA, we identified the need to rebuild capability locally as critical to drawing in investment across all different asset classes, including housing. While it might not be a headline grabbing announcement, we will continue to fall short in our housebuilding ambitions if we do not put in these underpinning foundations.

### Transition to proactive rather than reactive policy

One of the key characteristics of housing policy in the last 20 years has been an admirable but shortsighted focus on dealing with problems after they have manifested rather than trying to prevent them occurring. This skew towards acute spending rather than preventative investment is not unique to housing and has been exacerbated by austerity. This is not only prevalent in the rise of housing benefit and temporary accommodation budgets, but also in the geographic focus of housing supply programmes on those parts of the country with the worst affordability ratios.

While it is of course right to support those most in need we will be in a neverending loop if we just wait for the problem to materialise before we tackle it. The limitations of the appraisal framework which is used to prioritise spending drives this behaviour. Backward looking analysis, based on partial rather than general equilibrium modelling and with benefit cost ratios dominated by land values has led to housing supply programmes being predominantly focused in London and the South East. Treating housing investment in isolation from broader policies to boost growth in a place both misses the opportunity to use housing regeneration as an enabling lever but also in the event that a place does become successful makes the challenge of meeting rising housing demand harder.

This is becoming more recognised, with the Resolution Foundation's *Economy* 2030 Inquiry arguing that, "Cities that grow their economies and populations but

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not their housing stocks get into real trouble. Existing owners of property end up reaping many of the rewards of improved productivity, while existing residents see their income gains wiped out by fast rising rents." Within Core Cities we believe that a concerted investment in housing alongside broader investment is critical to unleashing the potential of our cities.

### Need to look at the whole system

Housing policy is complex. Too complex. And fragmented with interventions aimed at housebuilding, tenure mix, stock quality and affordability often misaligned or at times in direct tension. If we are to address the crisis in our housing system, we need to look at the whole system.

For example, if we look at where Government currently spends money on housing this includes c£15bn a year on the housing benefit element of Universal Credit, the five year £11.5bn affordable housing programme, a host of land and supply programmes such as the Housing Infrastructure Fund, the Brownfield Land Fund, local government expenditure on homelessness and temporary accommodation and borrowing through the Housing Revenue Account, as well as consumer facing guarantees and financial instruments like Help to Buy. All of these policies have impacts on each other, however, it is rare that they are considered collectively as part of an overarching strategy in a place.

Across the Core Cities we are working with partners in the development industry and financial sector to look at the whole system to understand where the synergies are, what savings could be realised through investment and how to share the risks and rewards through long-term, strategic partnerships between the public and private sector. Devolution of all aspects of housing policy and enabling savings to be recycled and reinvested within a place will be critical to successfully addressing the housing challenges our cities face.

TFN

## Delivering local aspirations through strategic planning

BY CLLR. SAM CHAPMAN-ALLEN, CHAIRMAN, DISTRICT COUNCIL'S NETWORK

District councils – the principal local authorities closest to communities – play an incredibly important place-shaping role: transforming neighbourhoods, regenerating high streets, enabling essential infrastructure and making local areas more vibrant. A strategic approach to planning and housing delivery is a powerful tool to deliver long-term aspirations for the communities our councils serve.

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A common refrain is that the planning system is a barrier to development. But, more frequently, planning is a powerful enabler for economic growth and regeneration.

So, what is strategic planning? There is sometimes a tendency for policymakers and commentators to equate 'strategic' with 'big' and to suggest that planning can only be strategic if it is done on a large footprint. Opinions vary on the optimal size of a strategic footprint. But they typically mean 'larger than a district'. My strong contention is that district councils can and do operate the planning system strategically to deliver wider outcomes that matter for everyone in the local ecosystem. Yes, there are some things that can work better on a regional footprint. And, yes, district councils should work closely with other local partners, including county councils. But districts have a unique proximity to the local communities that the planning system exists to serve. This is the special ingredient without which planning cannot be truly strategic.

To my mind, strategic planning led by a district council is the delivery of an overarching plan that sets bold aspirations for the local place. It is an engaging process, seeking out community views, responding to identified challenges and actively encouraging investment. Partnership working, often between the public and private sector, is essential for success. There should be close alignment between elected members and officers of the council, and between the council and key external partners.

The precise approach to strategic planning will of course depend on local circumstances – including local demographics and geography, the willingness of the community to accept change and the council's risk appetite. Broadly speaking, the approach is built around a common set of building blocks.

First, councils need a plan. This might be a Local Plan, Council Plan, Investment Plan, or a combination of these things. This will set the direction for growth and help make strategic decisions about the complexion of the housing to be delivered and its linkages to wider objectives. For example, planning authorities give careful thought to how the plan will deliver the right level of affordable housing, the infrastructure that is essential to make new developments work for the people who live in them and how to make places more environmentally sustainable – informed by the close local knowledge that district councils have of their communities and places. It is critical for the plan to be closely linked to the council's corporate objectives and other ambitions, such as an economic development strategy or net zero strategy. The new Central Lincolnshire Local Plan is a case in point. Created jointly by three district councils, this is one of the most ambitious local plans in England for tackling the impact of climate change.

Second, strategic planning sees housing delivery as part of a much more fundamental strategy to promote growth and investment. This may take the shape of promoting the district in general as an area for growth. Or it may involve actively cultivating specific strategic development opportunities. The planning system can be an extremely powerful catalyst for attracting inward investment that might otherwise go to other places or even to other countries. For example, Stevenage Borough Council has attracted £65m investment from Autolus Therapeutics, a global life sciences company. The council demonstrated to the investor that it could expedite planning processes to enable the rapid delivery of a global headquarters. It articulated a clear vision for how the investor could grow its business through long-term investment in the area. This convinced Autolus to choose Stevenage over Maryland, USA. This has brought jobs and investment to the area and for the supply chain in North-East England and other places.

Third, a strategic approach to planning means recognising where there are market failures or other blockers to development, and acting decisively to overcome them. Often it is only the district council that can be the catalyst to spark neglected, difficult or stalled sites into life. This activist approach can involve enabling development through the acquisition and/or disposal of land, use of compulsory purchase powers, or direct engagement with other public sector bodies, such as the NHS. It may also involve direct delivery and large-scale investment of the council's own funds. For example, Gloucester City Council is investing more than £100m of its own funds to regenerate the Kings Quarter area of the city. In close partnership with a large developer this will create mixed-use development providing 1,000 new jobs in 130,000 square feet of new office space, the city's first 4-star hotel, a new university campus, 75 new residential apartments, leisure and hospitality facilities, and a new transport interchange.

Whilst these approaches can and do deliver positive change, there is always room for improvement. With the best will in the world, district councils cannot quickly overcome some of the challenges inherent in the English planning system and public expectations of it. It seems to me that the recent drift in government policy has been towards imposing greater central control over planning authorities. It is right and proper that we should be accountable for doing our part to deliver more of the homes our communities need. But this need to be done proportionately. I would argue we should be having a parallel debate about how local planning authorities can be empowered and set free to do more. The recent decision to allow planning authorities to set planning fees locally for major applications was a step in the right direction. In my view we could think more radically.

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It is often instructive to look at what other countries do. There are many international examples of the planning system operating very differently to the UK. For example, New Zealand has a permissive system. Development of land is permitted as a principle, with councils imposing any controls they see fit to control development, taking into account the characteristics of that land. Public engagement is encouraged in the formulation of local plans which set the 'rules' for development, but local participation is rare in the planning application process itself. Whilst policy development is involved and sometimes complex, the regulatory planning process is swift and outcomes are more certain for developers.

I am not suggesting that we switch wholesale to this type of approach. That would clearly be a huge undertaking and bring significant risks. But we could look at more targeted ways to give more flexibility to planning authorities where this would help speed up development in a way that is consistent with what our communities want. For example, we already have some ability to relax planning controls, such as Local Development Orders. This is often resource-intensive, with council capacity unable to match the demand. An alternative could be the establishment of a 'maximum' level of control over development nationally, with local authorities able to be selective about levels of control within their area.

So, what is my message to central government? I am very proud of what so many district councils do to transform our local places. In my own area of Breckland, we are in the throes of updating our Local Plan. Our mantra is to use the Local Plan as a vehicle to unlock an ambitious vision that all our communities can share for their future – to be enabled by, not limited by, the planning system. This has been driven by record levels of engagement. It has pushed us to consider some knotty challenges about the things that matter most to people – whether that be health, environment, or transport. This is what strategic planning is about. District councils know our places. Trust and empower us to do more!

**ELEVEN** 

# How counties and county unitaries will use their role and powers to promote housing delivery

BY CLLR. SINEAD MOONEY, CABINET MEMBER FOR ADULT SOCIAL CARE, SURREY COUNTY COUNCIL

Housing is so fundamental to the lives of our residents, and the challenge of housing supply so pressing, that we as a county council have begun to carve out a role in coordinating actions and voices which together can make a difference in our council area.

While respecting the sovereign planning and housing responsibilities of our district and borough councils, we believe we can play a broad and pivotal leadership role to bring about action on housing locally and to call for change nationally. To that end, we went about producing, for the first time, a county-wide strategy for tackling the housing crisis in Surrey. As part of our preparation, and to underline our commitment to a partnership approach, we convened a housing summit in 2022 which brought together more than 100 councillors, officers and partners from across local government in Surrey and other key organisations. We commissioned Inner Circle Consulting to support us with collecting data and evidence and developing the strategy. The findings were stark and helped inform both a call to action for everyone involved in housing in the county and a call to government. Here we outline the key steps we are taking – and some of the steps that need to be taken nationally – to bring about real change for our residents.

Like many other areas, Surrey is in the grip of a housing crisis affecting residents, businesses and public services and entrenching the hardships facing some of the county's most vulnerable people. Homes are in short supply and increasingly unaffordable. Critically, local businesses, the NHS and other public services are struggling to recruit and retain the staff needed to maintain good quality services and a thriving local economy. In Surrey, challenges include high land values across a large geography and a high proportion of green belt designations and other protected land types. The housing crisis is not a single event – there are multiple strands, and action to tackle the housing crisis in Surrey requires simultaneous interventions on multiple fronts, with no silver bullet solution.

Our resulting housing strategy is about bringing together public bodies to help tackle the crisis effectively. We are stronger together and must use our collective power and economies of scale if we are to make real change. The call to action part of the strategy outlines some key practical steps we can work towards locally, such as forging "one public estate" and properly mapping public land in Surrey across all organisations who own it, to give us a collective view across the county. This will help us make strategic decisions to increase housing supply, through a joined-up approach focused on longer term objectives, rather than organisations working in isolation. But there is no doubt we also need changes in national policy to deliver change in Surrey. To cut to the chase, we need more power and more funding to tackle the housing crisis.

Our call to government has been shared with the leaders of Surrey's councils, with each council sending it independently, as they wish. It raises a number of issues and proposes some solutions, such as greater powers to speed up

development. The slow pace of development was cited in our evidence-gathering as driving scepticism among residents about the need for further planning permissions when others remained incomplete. The lack of means for councils to incentivise or compel developers to build homes or to be able to use the track record of developers in building out previous planning permissions as a material consideration in planning applications (to help distinguish between those applicants seeking to establish land value and those seeking to build homes) could and should be addressed by national policy.

It's also been noted that regular reviews of the planning system by the Government have led to local plans being withdrawn or paused, including several within the county, leading to the delay in the potential delivery of much-needed new homes. More certainty and consistency in the planning system would enable councils to move forward with confidence in developing and delivering their plans.

We're also calling for the needs of families to be considered, with grant funding for social rent to recognise the scale of need, and we want to see acknowledgement of the costs of improving the energy efficiency of homes in Surrey. For housing associations and stock-owning local authorities this represents a serious challenge to budgets and means less money will be spent on building new homes for local families as budgets are squeezed. The government must provide additional funding for retrofit and refurbishment of existing social homes, or to bring newly acquired homes up to standard. The need to modernise and improve the efficiency of Surrey homes is not just limited to social housing but is a challenge for a considerable proportion of Surrey's housing stock and is an important component of meeting our Net Zero targets.

Local councils know their local areas well and many have strong regeneration ambitions. These are sometimes frustrated by a lack of power over land assembly and a slow and expensive compulsory purchase system. Where councils have ambitions to build more genuinely affordable housing, or homes for first-time buyers, they may be blocked by existing landowners who want to wait it out in the belief that they will be able to secure a receipt significantly higher than market value at some point in the future, or who wish to sell to the highest bidder (who may then deliver fewer affordable homes).

Meanwhile, again and again, service providers highlighted their frustrations with the structure of government funding, with small pots of money typically made available over short periods of time. This creates a focus on short-term planning, rather than encouraging investment in long-term approaches which could lead to better outcomes and value for residents.

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All in all, our strategy serves as a roadmap for willing partners at both a local and national level to improve the housing picture for our residents and generations to come. We're already making strides forward as a county council, for example with an ambitious programme to improve provision of adult social care housing. We aim to deliver more than 1,400 units of specialist accommodation across Surrey, including extra care housing for older people and supported independent living for people with learning disabilities or mental health needs. We have also published a Joint Strategic Needs Assessment (JSNA) on housing which lays bare the link between health and housing and gives insights and recommendations to further drive forward our work to address Surrey's housing challenges and health inequalities. We aim to hold a further housing summit in the future to review progress, share learning and continue to make the case for Surrey's particular needs. Taking all this work together, we hope to write, with our partners, the next chapter in Surrey's housing story.

**TWFIVE** 

## How should we build consent for more housing in rural areas?

BY PAUL MINER, HEAD OF CAMPAIGNS & POLICY, CPRE

We need to build many more new homes. On that much, there is a clear political consensus. But precisely how many, who for, where and of what type, are much more contested. The planning system is the main forum for resolving these questions. But it has come under increasing strain over the past decade as it has suffered particularly from the reduction of local government budgets. For rural areas it has been a perfect storm as rural services have been particularly hard hit, while at the same time the political conflict between economic growth and environmental protection is at its most intense.

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It is increasingly clear that acting to increase the supply of affordable housing in rural areas to meet local needs, is popular. For example, in 2019 CPRE, the countryside charity, worked with Survation to poll residents in the 'Oxford Cambridge Milton Keynes Arc', a slice of middle England that in recent years has been earmarked for large scale new housebuilding. While there was support for some new housing across the Arc, the majority of residents (59 percent) did not support the scale of house building proposed. If any development did take place, an overwhelming majority (82 percent) of residents believed that the housing needs of local people must take priority, and three quarters (74 percent) believed that more social housing is what is most needed for the area.

Many parts of rural England, like the area between Cambridge and Oxford, have a housing affordability problem. People in housing need within rural areas find themselves at the acute end of the crisis, faced with stagnating wages and rising housing costs. A proliferation of second homes and properties being converted into short term lets has put further pressure on an already overheated housing market. This is having a devastating impact on life in the countryside, with many people forced to leave the communities they love and call home, draining skills and economic activity across the country, and undermining the provision of vital public services.

In 2023, CPRE researched the reasons for the inadequate supply of rural affordable housing; and what policies are currently in place to support affordable housing delivery.

### Our findings show that:

- The definition of affordable housing in national planning policy does not enable the delivery of genuinely affordable homes. Rural social-rented delivery has plummeted with just 348 homes delivered in 2020/21.
- Rural social housing waiting lists have risen in all but two regions in England.
   From 2000 to 2022, there has been an increase of 10.8 percent (from 276,706 to 306,730) in people on rural social housing waiting lists. It would take 89 years to clear social housing waiting lists under the current build rate.
- Rural homelessness has increased 40 percent since 2018/19.
- Rural exception site policy is being utilised to deliver housing in line with locally assessed need. But its impact is limited to a relatively few areas of the country – mainly Cornwall.
- As many as two-thirds of all parish councils in rural England are not covered by 'Section 157' regulations. These prevent resale of affordable housing units

at market prices or as second homes. Under current national planning policy it is also possible in these areas, unlike elsewhere, to seek affordable housing in new developments on the smallest sites.

 Changes of use from office space to residential conversions under permitted development rights are delivering limited amounts of affordable housing and, of poor quality.

In addition to the above, our 2020 housing design audit carried out with the Place Alliance found that rural areas tend to get worse design in new housing developments overall than urban areas. The reasons for this included the use of generic, standardised designs that failed to respond to their landscape and place context; a failure to integrate affordable homes across developments; and poor access by transport modes other than the car. The new homes we are building are also less climate resilient. The abolition of the Code for Sustainable Homes in 2015 has meant that progress towards more energy efficient housing and local renewable energy generation has been largely halted in its tracks.

In turn, part of the reason for poorly designed new housing developments has been the lack of a strategic approach to planning new developments. In rural areas as well as urban, most of the new affordable housing we need will be provided in large schemes within or on the edge of towns, rather than in smaller rural exception schemes. Much of this can be provided on previously developed or brownfield land; enough is available for 1.2 million new homes across England.

We should aim to build 147,000 affordable homes every year as the National Housing Federation and Crisis have already called for. As a result of our findings, we believe that the following regulatory and policy changes will help increase consent for housebuilding in rural areas:

- The term 'affordable housing' must be redefined so that the cost of new
  affordable homes for sale or rent are directly linked to, and thereby constitute,
  no more than 35 percent of average local incomes.
- National planning policy should set a minimum requirement for 'affordable housing' (based on our proposed redefinition of the term), with specific targets set for, and priority given, to the building of social rented homes.
- Government should more forcefully advise and support local planning authorities to design new developments to fit in with and contribute positively to the local context of place and landscape; and conversely to reject developments that do not live up to the design standards set out in relevant national and local design policy and guidance. In addition, the new Future

Homes and Buildings Standards should include provision for rooftop solar to be mandatory in all new developments.

- Large housing development to be planned strategically with local authorities
  working together across a county or city-region. As part of this development
  should be prioritised in areas with good access to public transport. There should
  be good use made of land by avoiding wastefully low residential densities.
- Greater support for rural communities wishing to use neighbourhood planning or rural exception sites to deliver small-scale affordable housing developments on the edge of villages in line with locally assessed need. This should include reforms to existing funding streams such as the Housing Infrastructure Fund and the New Homes Bonus.
- Introduce a second home and short term lets register. Local authorities should also be empowered to both introduce planning controls to regulate the provision of short term lets and to levy extra council tax on second homes.
- Extend Section 157 restrictions to all parishes of below 3,000 population in England on resale of affordable housing, so that these houses continue to be used by local workers and not as second homes or holiday lets.
- Permitted development rights allowing the automatic conversion of agricultural, commercial or office buildings should be repealed, or at least made conditional on both meeting design standards and providing a contribution to the building of affordable housing in the local area.

THIRTFFN

### Rural affordable housing: Understanding rural needs

BY KERRY BOOTH, CHIEF EXECUTIVE, RURAL SERVICES NETWORK

In July 2023, the Prime Minister, Rishi Sunak, made an announcement about the Conservative party approach to housebuilding with the statement, "Today I can confirm that we will meet our manifesto commitment to build 1 million homes over this Parliament. That's a beautiful new home for a million individual families in every corner of our country...We won't do that by concreting over the countryside — our plan is to build the right homes where there is the most need... in the heart of Britain's great cities."

The contradiction here is interesting, firstly setting out that homes would be built in every corner of the country, and then limiting them to being built in our great cities. Worryingly, this approach completely ignores the needs of rural communities where there is a significant lack of affordable housing, securing affordable housing on new developments can be challenging and homelessness can be hidden.

Rural areas suffer from a lack of understanding on many fronts, rural public services are underfunded, and expensive to provide, houses are unaffordable for people earning local wages, public transport provision is patchy and the rural economy is not getting the support it needs to grow and prosper, as digital and mobile connectivity lags behind that of the rest of the country.

Housing is less affordable in rural than urban areas (excluding London). In 2022, the average lower quartile house price was 8.8 times the average lower quartile earnings in rural areas compared with 7.6 times in urban areas. Additionally, the rural rental market is under strain, with a trend towards short-term holiday lets reducing the availability of long-term affordable rentals. This housing deficit not only stifles rural economic growth but also risks rural communities becoming empty communities, without the population to service local shops and facilities all year round.

Affordable housing is crucial for maintaining local support networks and community ties, especially for younger residents and those with deep rooted connections. The shortage also challenges rural businesses in retaining essential workers and impedes the recruitment of key professionals like healthcare workers and educators. Moreover, the prevalence of older, inefficient properties in rural areas exacerbates health risks, underscoring the need for immediate housing improvements.

So, we know that there is a housing crisis in rural communities, but how do we start to resolve this problem?

Most importantly, we need politicians to understand the needs of their rural communities and implement policies that are not a 'one size fits all' approach but instead, provide solutions targeted to local needs.

The Rural Services Network has set out three short-term asks of the political parties to help resolve this rural housing crisis:

 Deliver a rural housing strategy stating how new housing will be delivered to meet rural community's needs and introduce and fund an ambitious annual target for genuinely affordable quality rural homes.

- Protect rural tenants by ensuring that local authorities can register and manage the short- and long-term rental market to meet local need, avoiding oversupply of holiday lets.
- Ensure a national homelessness strategy includes investing in solutions in rural areas.

In addition to these, there are key policy areas where a rural focused approach would help. Rural Exception Sites could play a key role in the delivery of affordable housing in rural areas however this policy is not widely used across the country. Well trained Rural Housing Enablers are central to the success of this policy, but the Government has only committed to fund them until 2025 (the end of this spending review). The lifetime of a housing project from an idea to build new homes in a village, to families moving into those homes can take many years to complete, needing long term commitment to the Housing Enabler role.

Rural Exception Sites give priority to residents with a local connection to the area in addition to the need for affordable housing, and when this is understood by the community, this can help to increase local acceptance of the scheme.

Finally, rural public services have been underfunded by successive governments with urban councils receiving 36 percent more in Government Funded Spending Power per head in 2024-2025 compared to rural councils. This underfunding leaves councils at a disadvantage in the delivery of services, as they are forced to cut spend in areas to balance the books. As an example, last year urban councils were able to budget to spend 3.5 more than rural councils on public transport. The lack of transport in rural communities can make accessing public services such as healthcare appointments, employment, and training opportunities more difficult.

Government has recognised that it costs more to deliver services in rural areas, and now it needs to implement the changes to the funding formula to ensure that these are actually 'recognised' in the allocations that rural councils receive.

So that's housing and funding, but where else do we need Government to focus to help solve this crisis? A future focused vision for rural communities involves not just building the right homes in the right places but also ensuring thriving, sustainable communities. This entails equipping villages and towns with the necessary infrastructure to support sustainable living and local business prosperity including access to crucial services.

Effective planning policies rigorously rural-proofed, are essential to avoid drawbacks and tailor solutions to the unique needs of rural communities. The planning system plays a pivotal role in balancing economic social and

environmental demands both in shaping policies and in making decisions on individual applications.

The Rural Services Network has set out three short-term asks of the political parties to help support the planning process:

- Deliver an effective approach to neighbourhood plans into which rural communities have spent a huge amount of time and effort.
- Protect rural voices and community engagement around planning whilst digital might always be their preferred choice, poor connectivity in rural areas means many voices are being lost.
- Ensure vacant and underused buildings in rural town centres find productive use as housing in appropriate locations and where little prospect exists of continuing retail use.

The challenges facing rural communities cannot be tackled in isolation, this essay has shown solutions for housing, planning and touched on fair funding, but the government must recognise that our rural communities need homes they can afford, with good jobs, connectivity to enable businesses to grow, easy access to healthcare services, and rural public services that are fairly funded.

Ultimately, we need a political party that embraces the 10 million residents living in rural England, and commits to design policy to suit their needs, only then will our rural communities thrive.

**FOURTEEN** 

## How do we get a local planning system that works for all? Is it all about consent?

BY ANNA CLARKE, DIRECTOR OF POLICY AND PUBLIC AFFAIRS AT THE HOUSING FORUM

What happens if some, or even most of the people living in an existing community feel that they don't consent to new housing nearby?

'Consent' is a strong and loaded term. We talk about medical consent — which doctors require before they treat you, even for your own good. Or sexual consent, without which sex is rape. To do something without someone's consent implies that they had an absolute right to refuse it and their rights have been infringed. I don't believe it is the right term to describe how we make collective decisions on planning and housebuilding.

Building new housing near to where you live is not an infringement of your basic rights. Living nearby doesn't automatically give you the authority to block development on someone else's land. It might be something that you don't want to happen, but someone else does want that housing built – so decisions on whether (and how) it goes ahead involve balancing the rights of one group of people against another.

If we talk about community "consent" for new housing, we aren't just articulating a need to engage with existing residents – we're creating that very sense of rights over development that might take place nearby. Consent is a very binary term – if we talk about consent, we end up focussing on whether or not people want the housing to be built, rather than how it should be built, designed and integrated into the local area to best meet everyone's needs. And if you give people a sense of having rights to consent or not consent to over something, only for them to find it is built anyway, they are understandably feel trampled on.

The need for new housing is undeniable – nearly 5 million young adults currently live at home with their parents, a figure that's up 700,000 on ten years previously. For the last 20+ years we have consistently modelled the requirement for new homes a year, and consistently failed to deliver it – meaning that the backlog of housing need grows each eyar. This manifests as high house prices and rents, increased sharing – with the amount of space per person falling in the private rented sector, and rising homelessness. The effects are strongest in London and the south of England, where the pressure on housing is highest.

So how do we create the conditions where new housing can get built, without existing residents feeling trampled on?

I would argue that – rather than being about requiring consent – it is about this about making decisions that balance everyone's needs, after meaningful and effective engagement with all the people affected by a decision to build housing. Engagement builds a happier community who feel bought into the decisions made; it's a good practice, but the language we use to talk about it shouldn't imply that the existing residents have the power to block the decision.

The people who are *most* affected by new housing are the people who will come to live in the new homes, and also those who move into the housing that they vacate, down on the housing chains, until at the end there's a new household forming – someone moving out of their parents home, setting up home for the first time, or moving out of a shared house or a homeless hostel and into a home of their own. All these people are massively impacted by the decision to build the new housing. The trouble is, if you're consulting on the new development at the

start of the process, you don't know who these specific people are, which makes it difficult to consult with them.

There are, however, steps we can take to ensure we reflect their needs – we can engage with council homelessness departments to understand the needs and wishes of people in temporary accommodation. We can speak to local estate agents about the kinds of people who are house hunting in the area. We can speak to local employers about the housing needs of their staff. We can engage with groups that represent those struggling to find a home of their own – such as Priced Out or Generation Rent. We might not be able to speak directly to the specific individuals who will one day live in the new housing, but we can seek to understand the kinds of people who might benefit – either directly or indirectly – from the new housing, what they need.

The other group of people who are affected by new housing are of course, those already living nearby. This is the group that consultation exercises have traditionally focussed on, but too often they are undertaken at a late stage, when key decisions have already been made. They feel frustrated, that they weren't listened to and often end up less enthusiastic about the new housing than they were at the start. The BBC recently reported a local councillor saying he was "devastated for the local community" when a planning application for new homes was finally granted on appeal. Planners tend to think that their role is simply to listen to the view that local communities have on new developments – as if this was something that already exists. But I would argue that the planning process itself, with all its confrontational nature, tick box lists of reasons why you might want to object to an application, and network of agencies and individuals who galvanise communities, that the opposition is in part created and grows during the 'consultation' process.

Some opposition can be ill-informed: "the houses will be too expensive for anyone to afford" or "we need houses for families not flats for single people". Housebuilders aren't stupid, and won't build housing for which there's no market. And if the price per square foot of flats is higher than it is for family homes, that suggests there's strong demand there too. People may also channel frustrations about inadequate public services into planning applications – if you can't get a GP appointment as it is, a population increase feels like a threat. In reality the shortage of GPs is a national one, and it is of course people rather than houses who use GPs. Blocking new housing will not – overall – increase access to GPs.

We also need to be honest about the true reasons that some people object to new housing, which is that change itself can be threatening. People who feel like this will inevitably channel their views into consultations by objecting to the things they're allowed to object to (design, safety, traffic, etc) and we can try to meet these objections, but they still won't 'consent' to the new housing because ultimately they don't want it built at all.

So what does effective engagement that gets the homes we need built look like?

One solution suggested has been a move to a much more rules-based approach to development rights. Instead of applying for planning permission for each and every new development, local plans would have more weight and land allocated for development within them would be automatically granted permission as long as it complied with the rules set out. Housebuilders would find a system like this easier to work with as it would de-risk the whole process. SME housebuilders would find the sector easier to enter, as they wouldn't face financial ruin on the basis of an unpredictable process.

A compromise towards this would be to remove the power of planning committees to determine planning applications for sites allocated for housing in local plans – this would still leave the planning officers with powers to negotiate over issues such as design, density or integration with the existing neighbourhoods, but would move them out of the more political environment of planning committees.

Both of these approaches move the decision on *numbers* and *where* housing goes upstream in the process, for national or regional strategic plan-making, with local plans determining where is best to build. Housing markets operate across local authority boundaries, which means that no one area can build its way out of the housing shortage. If the shortage remains in neighbouring areas, people will move into their area, so there is still a shortage. Conversely, some authorities may decide not to build housing in their area, letting people move away to find housing elsewhere. This means that it is rightly the role of national government to set housebuilding targets, and to devise a means of allocating these out to local areas, with the expectation that they are met.

Decisions over how whereabouts within the local area new homes should go are then best made by the local authorities via local plans. Local residents already can get involved in consultations about local plans, and it is at this stage that the principle of development should be agreed. This doesn't of course mean that everyone will agree with it, but the benefits of new housing and wider growth should be made clear at this stage, to help build support and enthusiasm, or at least acceptance.

The real value in community engagement comes later when plans for specific sites are being developed, using local insight into how the community works and how it

could work better. Local residents are well-placed to know what might be needed in their local area – maybe a play park for young children isn't the priority but a skate park for teenagers would be really well received. Developers aren't always great at understanding how an existing neighbourhood should integrate with the new site – they tend to focus on their plans with a box around the site itself and a limited understanding of how people might want to pass through the new area. Small changes to plans such as opening up a planned cul-de-sac to pedestrian access can improve an area for the benefits of both old and new residents – who will of course, in time for a single new community.

The key thing here is to engage at an early stage in the design process. This will often be well before a planning application reaches a local authority so needs to be initiated by the developer, going out and meeting local residents, getting to know the local area and finding out how people use the area currently. The early stages of design are the time when real changes can be made, meaning that the consultation is useful, rather than a tick-box exercise carried out further down the road. The focus at this stage is on the details of the new development – what it looks like, how it's laid out, how it integrates with this exiting area. It's not about a binary choice between having the housing or not having the housing.

This is about democracy, about educating, and making the case for new housing. It's balancing different viewpoints and needs. It is not about seeking or requiring 'consent'.

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