



## Report

meeting	Communities Department Briefing
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### Report of the Strategic Director for Communities

#### 'Homes for the future' Green Paper Consultation August 2007

1. The Government published a Green Paper on housing on 23 July 2007, which proposes measures to meet the Prime Minister's recent announcement over increasing affordable housing provision. It is backed by investment for affordable housing in the Comprehensive Spending Review 2008-2011. The Green Paper will be out for consultation until 15 October 2007.

#### Highlights of the Green Paper

#### 2. KEY MESSAGES

- 3 million new homes by 2020, 2 million of which by 2016
- At least 70,000 affordable houses a year to be delivered by 2010-11
- Well designed and greener homes, linked to schools, transport and healthcare
- A renewed role for local authorities, both in their enabling role and as direct providers of housing

#### 3. KEY PROPOSALS

#### 4. More homes to meet growing demand

- 2 million new homes by 2016 of which 1.6 million homes already planned in existing Regional Spatial Strategies,
- 150-200,000 additional homes in a 'mini-review' of Regional Plans
- 100,000 homes in the 29 New Growth Points – these towns and cities will be eligible for additional support and funding, comparable to the support received by Growth Areas, including a £300 million Community Infrastructure Fund for Growth Areas, New Growth Points and eco-towns.
- 50,000 new homes through an additional round of New Growth Points, including for the first time the north of England.
- Invitation for the submission of up to 5 (now 10) new eco-towns schemes each providing 5,000-20,000 new homes with the entire community reaching zero

carbon standards. Local authorities and developers are invited to propose schemes for consideration.

- A new Housing and Planning Delivery Grant (HPDG) to direct extra resources to councils who are able to deliver high levels of housing. This grant will replace the Planning Delivery grant from 2008.
- Proposals to strengthen the requirement on developers to commence development or lose planning permission.

#### 5. Better homes: creating homes and places that people want to live in

- Local authorities are expected to take the lead in coordinating infrastructure delivery, alongside partners, for which there are to be new procedures.
- Building on new planning policy (PPS3) to ensure housing developments meet the needs of local communities including infrastructure and high standards of design, the Government will work with CABI to raise standards so that good and very good design becomes the norm.
- A Planning-gain Bill is still proposed but the Green Paper seeks ideas on alternatives to the current Planning Gain Supplement proposals to enable local communities to benefit from new development.
- Greener homes – all new homes to be zero carbon from 2016, with building regulations strengthened to achieve 25% by 2010 and 44% by 2013.

#### 6. Making housing more affordable

- £8 billion programme for new affordable housing 2008-2011. At least 70,000 more affordable homes a year by 2010-11, with an ambition to increase further in the next spending review period. Affordable housing to be a mix of new social rented homes, shared ownership and shared equity, particularly for key workers.
- A renewed role for local authorities in enabling and directly providing housing, including the use of local housing companies in which local authorities may invest their own land.
- New ways for councils to use land and resources to build homes.
- Proposals to utilise council rents and capital receipts from additional homes to increase affordable housing delivery by local authorities.

#### 7. Skills and construction

- Improving the capacity and capability within sectors supporting housing growth (built environment professionals, construction workers and local authority planners).

- Strong emphasis on local people without skills and qualifications to be able to get the skills to access the new jobs related to the new housing agenda.

## **Commentary**

8. The Government has already produced a new Planning Policy Statement on Housing amongst other new statements that impact on planning for housing. The Green Paper follows on these existing policies, with an emphasis on funding and incentives to build more housing, making it more affordable and sustainable.
9. The context for the Green Paper includes:
  - the Sub-National Review of Economic Development and Regeneration (July 2007).
  - Planning White Paper (May 2007),
  - Local Government White Paper including its place-shaping role for local authorities (October 2006)
  - Comprehensive Spending Review 2007 (CSR07),
  - Planning Policy Statement 3 (Housing) (November 2006) and earlier government response to the Barker report on housing affordability, and
  - Planning and Climate Change Policy Statement (in preparation)
10. In general, the proposals presented in the Green Paper continue to follow and build upon existing policies, strategies and guidance, utilise existing arrangements and restate current proposals. The paper also has an emphasis on funding and incentives to deliver and improve housing, including affordable housing.
11. The Green Paper has an impact upon the Department's work in areas such as spatial planning, transport and education infrastructure, the environment and sustainability.
12. Less directly the Department is concerned through partnership work with affordable and social housing in its spatial planning role (regional, sub-regional and local housing strategies), and other areas of work within adult social care. The Community Strategy currently includes community cohesion and County Council officers are considering a housing strategy for Nottinghamshire. Improvement of skills for construction accords with the Community Strategy "All together better learning and earning" theme.
13. There is much to applaud in the Green Paper, in particular the aim of making housing better planned, more affordable and ensuring that infrastructure is in the right place at the right time, and increasing local authorities' role in doing that. There are significant funds (£8m) being proposed for affordable housing 2008-2011. There will be new ways for councils to use land and resources to build homes including capital receipts from additional homes.
14. The Green Paper sets out to increase housing supply in England although there are no targets set below National level. The numbers include additional growth points – Members will know that Nottingham and Newark already have

growth point status – and Mansfield & Ashfield have submitted a bid, as yet not approved.

15. Housing developments will need to meet the needs of local communities including high standards of design and provision of infrastructure that will include schools and transport.
16. There are to be greener homes – all new homes to be zero carbon from 2016, 25% by 2010. The government is also calling for so-called 'Eco-town' proposals.
17. The Green Paper does not make assurances that money for infrastructure to support housing such as schools and transport will be available, although indications are that the Comprehensive Spending Review will address the Governments housing ambitions.
18. The Paper sets out possible alternative approaches over planning gain. The County Council, which makes significant use of developer contributions, has a strategy in place to help the process of negotiation over legal agreements. It would not wish to see the abilities of local authorities to deliver such benefits diminished by any review. These benefits accrue not only to education, transport and community provision, but environmental and biodiversity interests also. It is essential that this matter is resolved as soon as possible.
19. One Green Paper proposal is the need to review the Regional Plan – the Plan for the East Midlands has only just been to Public Examination, it is as up-to date as it could be and a review to change housing numbers again is not needed.
20. There could be an impact from increased housebuilding upon the council's sustainability objectives. The Green Paper says little about new housing achieving wider sustainability aims, such as reducing the need to travel. Neither does the Green Paper propose much to reduce the environmental impact of housing that is already built – new housing contributes only about 1% to all housing each year.
21. More sustainable, better designed new housing is to be supported and the effectiveness of the new planning policy in protecting new homes from flooding will be assessed.
22. The Government restates its commitment to the principles of the Green Belt. There will be no fundamental changes to Green Belt planning policy, as set out in Planning Policy Guidance note 2.
23. Proposals for a new Housing and Planning Delivery Grant to direct resources to councils who are able to deliver high levels of housing might affect the Council's receipt of planning delivery grant moneys.
24. The Paper reiterates the view that building more homes is essential to tackle long term affordability pressures. Local authorities will have new opportunities to build and manage new houses as well as Housing Associations and the private sector. These proposals implicitly relate to housing authorities.

25. CLG, English Partnerships and the Prime Minister's Delivery Unit are to prepare a delivery mechanism to realise a cross government programme of investment.
26. The use of local area agreements (LAAs), (mentioned specifically and uniquely here in the context of county and unitary authority areas) is encouraged to improve housing supply, delivery, affordability and quality.

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Background Papers

"Homes for the future: more affordable, more sustainable - Housing Green Paper"

<http://www.communities.gov.uk/publications/housing/homesforfuture>

Cabinet Report 17<sup>th</sup> October 2007: Report of the Leader of the Council  
'Homes for the future' Green Paper Consultation August 2007

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