

Report of	Meeting	Date
Director of Partnerships, Planning & Policy	Council	25 September 2012

GOVERNMENT STATEMENT ON HOUSING & GROWTH

PURPOSE OF REPORT

- To inform members of the main measures contained in the Housing and Growth statement made by the Secretary of State for Communities and Local Government, Rt Hon Eric Pickles MP on September 6 2012 and to set out the Council's response to the statement.

RECOMMENDATION(S)

- Members are asked to:
 - Note the main content of the statement
 - Endorse the Council's position and action as set out in paragraph 16.

EXECUTIVE SUMMARY OF REPORT

- The report sets out the main measures being put forward by the Coalition Government relating to Planning and Housing delivery which they state will kick-start the economy.

Confidential report Please bold as appropriate	Yes	No

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	√
Being Healthy		Pride in Quality Homes and Clean Neighbourhoods	√
Safe Respectful Communities		Quality Community Services and Spaces	√
Vibrant Local Economy	√	Thriving Town Centre, Local Attractions and Villages	√
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			√

BACKGROUND

- On 6 September the Rt Hon Eric Pickles MP, Secretary of State for Communities and Local Government released a statement announcing a major new housing and planning package designed to promote economic growth including house building, speeding up of planning permissions and to boost the construction industry. The following provides an outline of the main measures/changes under the key headings within the statement.

6. **Accelerating Large Housing Schemes**

- Removing restrictions on house builders to unlock stalled sites due to sites being commercially unviable. Developers who can prove that Council's affordable housing requirements make the project unviable will be able to appeal to the Planning Inspectorate with immediate effect. The Planning Inspectorate will be instructed to assess how many affordable homes would need to be removed from the S106 agreement for the site to be viable in current economic conditions. The Planning Inspectorate would then as necessary set aside the existing Section 106 agreement for a three year period in favour of a new agreement with fewer affordable homes. The legislation is expected to be introduced early 2013.
- The Government is encouraging councils to take the opportunity before legislation comes into effect to seek negotiated solutions.
- The Government are also consulting on legislation that would allow developers to re-negotiate non-viable Section 106 agreements entered into prior to April 2010.
- Government will work in partnership with local authorities, scheme providers and communities to accelerate delivery of locally-supported, major housing sites. These will be sites where there is local support for growth, strong demand for new homes and good prospects for early delivery.

7. **Getting Surplus Public Sector Land Back into Use**

- Government will accelerate the release of surplus public sector land by strengthening the role of the HCA through a targeted programme of transfer from other Government Departments and agencies. Disposals will also be accelerated by preparing the land for market and providing a single 'shop window' for all surplus public sector land.

8. **Reducing Planning Delays**

- Proposal to legislate to allow applications to be decided by the Planning Inspectorate, if the LPA has a track record of consistently poor performance in the speed or quality of its decisions.
- Seeking to increase the use of Planning Performance Agreements for major schemes which commit both applicants and planning authorities to a clear timetable for determining proposals.
- Giving Planning Inspectors more power to initiate an award of costs in planning appeal proceedings where it is clear that an application has not been handled as it should have been with due process.
- Government to consult shortly on options to speed up planning appeal decision making by the Planning Inspectorate, including a new fast track procedure for some small commercial appeals.

- With immediate effect the Planning Inspectorate have been instructed to divert resources to prioritise all major economic and housing related appeals to ensure applicants receive a response in the quickest possible time.
- Developers will be allowed an additional year after the planning permission expires to get their sites up and running.
- Undertaking a review of the thresholds for some of the existing categories in the planning regime for major infrastructure and also bring new categories of commercial and business development into the regime to be determined at a national level.

9. **Property Extensions**

- Government to consult shortly on changes to increase existing permitted development rights for extensions to homes and business premises in non-protected areas for a three year period. Single story rear extensions and conservatories will be allowed to extend beyond the rear wall of the original house by double the current distance. An increase from 3 metres to 6 metres for provided the extension does not extend beyond half the garden.
- It is also rumoured in the press that Business can also expand their premises without permission. 100sq metres of working space for shops and twice as much for industrial. We cannot however find confirmation of this in current documents released by the Government and will need to wait until the consultation documents are issued.

10. **Empty Offices**

- Introduce permitted development rights to enable change of use from commercial to residential purposes while providing the opportunity for authorities to seek a local exemption where they believe there will be an adverse economic impact.

11. **Private Rented Sector**

- An additional 5000 homes built for rent at market rates in line with proposals outlined in the Montague report on boosting the private rented sector.
- Investing 200m in housing sites to ensure rented homes that are needed are available to institutional investors quickly. A taskforce will be established to bring together developers, management bodies and institutional investors to broker deals and deliver more rented homes.
- Government to issue a debt guarantee for up to £10 billion for this scheme and the affordable housing scheme below. Under the scheme, the Government. will enable providers to raise debt with a Government. guarantee where they commit to investing in additional new-build rented homes

12. **Affordable Housing and Empty Homes**

- Extending the use of guarantees to cover borrowing needed to deliver more affordable homes. The Government will invite bids to provide up to an additional 15,000 affordable

homes through the use of loan guarantees, asset management flexibilities and capital funding.

- Extending the refurbishment programme to bring an additional 5,000 existing empty homes back into use. This will be enabled by an additional £300m new capital fund.

COUNCIL RESPONSE

- 13 Over the past couple of years house building in Chorley has continued to be very strong. In 2010/11 house completions (April to April) were 527 and in 2011/12 reached 552, exceeding the RSS minimum target of 417. Following the announcement, there was also a statement made by the LGA that nationally there were already approvals in the system for 400,000 new homes and more than three years of building.
- 14 Chorley's affordable housing performance over the last few years has also been amongst the best in the country and the highest level in Lancashire with 170 in 2011/12, 173 in 2010/11 and 107 in 2009/10. Some of the Governments proposed changes relating to Affordable Housing could potentially put future performance regarding affordable housing delivery in the Borough at risk.
- 15 The Local Planning Authority has always worked closely with developers to develop appropriate S106 agreements which deliver viable schemes and provide the much needed affordable housing and we intend to maintain this approach going forward.
- 16 Given our strong track record of housing delivery, whilst the package of measures put forward by the Government may help to kick-start a house building programme and provide support to the construction industry in parts of the country, it is felt that these measures are not pertinent or required within the Chorley area or relate to a lack of performance of the local planning authority. As a consequence, it is proposed that we write to the secretary of State outlining our recent and current excellent performance in supporting delivery and outline that the measures put forward do not apply to this Borough or LPA.

IMPLICATIONS OF REPORT

- 17 This report has implications in the following areas and the relevant Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		Integrated Impact Assessment required?	
No significant implications in this area	√	Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

- 18 No comments

COMMENTS OF THE MONITORING OFFICER

- 19 No Comments

LESLEY-ANN FENTON

DIRECTOR OF PARTNERSHIPS, PLANNING AND POLICY

Report Author	Ext	Date	Doc ID
Lesley-Ann Fenton	5323	13 th September 2012	***

OR

Background Papers			
Document	Date	File	Place of Inspection
Housing and Growth statement	6 September 2012	***	Union Street Offices DCLG Website