House Builders Association (HBA), the housebuilding division of the National Federation of Builders (NFB)

Planning for the Future consultation response

We welcome this bold move from the Government to reform planning. Having been strong contributors and collaborators over previous decades and specifically in the last five years, we have seen the Government support our recommendations in a number of ways; such as subdivision of small sites, small site percentages in local plans, Infrastructure Statement transparency, inclusion of Community Land Trusts (CLT) in national policy and affordable housing small site exemptions.

We are therefore delighted to see many of our other recommendations being taken forward such as digitisation and mapping, consolidated planning gain, design codes, a focus on certainty in applications validations and faster local planning. To deliver that and a masterplan opportunity, we believe you have taken the correct approach to deliver a less discretionary system by using ‘zones’ or ‘areas’ and look forward to knitting that together with you, over the next couple of years.

The vision we have for the pillars approach is to be supported through the areas of Growth, Renewal and Protection. Where Protection advances sustainability, Renewal embraces organic development and is a precursor for planned Growth. We see there being some challenges which, neither Growth nor Renewal could adequately tackle and there would ask the Government to consider a ‘Fourth zone’, for major regeneration of Renewal areas and Growth through much needed new towns.

In order to achieve this, an infrastructure first, local buy-in approach is needed, which is focused on need, rather than heavily leaning on design. We believe this is the correct strategy to enable local politicians to feel certain that their community backs their ambition and shares its vision.

Industry will help where it can, for example on energy efficiency and biodiversity but we must be part of the solution, not always defined as the cause. We believe we can meet ambitions on housing and net zero.

<u>London</u>

Greater London, despite receiving a disproportionate amount of funding over the years, would benefit from some very specific policy support to ensure it can finally deliver the housing supply it needs. Where possible, we have included London specific approaches, such as CIL for Mayors but also attempted to define national policies in a context which could also benefit the capital.

The Government has taken a brave step to attempt policy reform which does not automatically follow the London narrative of unaffordable housing, no car communities, big business, anti-Right to Buy and social housing first and we would support any efforts to deliver London specific policies after this consultation.

Pillar One – Planning for development

1. **What three words do you associate most with the planning system in England?**

   Uncertain
   Delayed
   Anti-SME

2. **Do you get involved with planning decisions in your local area? [Yes / No]**

   Yes. Members often ask us to respond on their behalf due to considerable barriers with the policy making process. This is specifically the case when councils are allocating many more large sites to meet their five year land supplies and ignoring the organic and strategic growth that SME builders offer. Councils often need to be reminded that SMEs train 7 in 10 construction apprentices, proportionately build the most affordable housing, are the predominant rural employers, were not involved in the leasehold scandal, build the best quality homes to the most up to date regulations, are more likely to retain staff, tend to build-out communities, not outside them and win work on reputation.

2(b). If no, why not? [Don't know how to / It takes too long / It's too complicated /I don't care /Other – please specify]

N/A

3. **Our proposals will make it much easier to access plans and contribute your views to planning decisions. How would you like to find out about plans and planning proposals in the future? [Social media / Online news / Newspaper / By post / Other – please specify]**

   We need mapped local national plans. Local authorities need to ensure mapped, interactive planning is front and centre of their approach and part of a standardised (across England) presentation, so that it's simpler to engage with.

   HBA staff spend many days going through countless local plans and it is incredibly frustrating to have to trawl through numerous different approaches, named documents and styles to find data. Members who work in numerous regions also note this and for new entrants, this process is extremely overwhelming.

4. **What are your top three priorities for planning in your local area? [Building homes for young people / building homes for the homeless / Protection of green spaces / The environment, biodiversity and action on climate change / Increasing the affordability of housing / The design of new homes and places / Supporting the high street / Supporting the local economy / More or better local infrastructure / Protection of existing heritage buildings or areas / Other – please specify]**

   Organic growth
   Diversity
   Planning certainty

5. **Do you agree that Local Plans should be simplified in line with our proposals [Yes / No / Not sure Please provide supporting statement]**

Yes and we believe that with the correct engagement, local people can shape the growth of their regions and take the political pressures away from local authorities. We are also delighted to see such a great focus on planning certainty, which has been lacking in the system for decades.

We see Growth as a fantastic tool for this, gaining buy-in from local people who may see a need to deliver greater number of homes of all tenures, from market housing, self building/cooperative housing, and social homes. This also allows them to tackle specific issues, such as homes for older people, or homelessness. However, Growth has a major stumbling block and that is cost of land, we therefore urge the Government to consider reforming Compulsory Purchase Orders (CPO), so that land assembly can more easily support all elements of its Growth ambition.

To assist SMEs, the Government should continue pushing on 'land repayment on occupation' and we would accept a timeline so that this approach cannot be gamed. SMEs just want to get on site and build.

Renewal is the organic growth needed to sensibly build out and fill out our existing community borders. We believe urban fringes and filling in gaps are sensible opportunities to complement these opportunities, especially rurally, where Local Planning Authorities (LPAs) too often meet demand on large sites, not small ones within communities. Renewal is effectively the precursor to growth, as it allows time for high quality planning and investment in infrastructure to come in first.

To complement 'Renewal', we believe a Small Sites register remains a good option to ensure this element of the proposal is a success and they would allow a greater number of opportunities to come forward more quickly.

Protected should not mean 'no development'. It should work to embrace the correct homes and build on the unfurling work done by Natural England on species mapping and English Heritage to preserve and build in development which is right for the area. Automatic opposition is not a sustainable approach. Protected also needs to example clear boundaries, so that sites near these areas do not fall under the same regulatory restrictions.

A 'Fourth Zone' for new towns and large urban regenerations in major cities may be required, as these schemes will be extremely complex.

6. **Do you agree with our proposals for streamlining the development management content of Local Plans, and setting out general development management policies nationally? [Yes / No / Not sure. Please provide supporting statement.]**

Yes; however, we would prefer the lowest level of interference from local authorities, so that, for example, policies such as energy efficiency, Part L of Building Regulations, are nationally set through Building Regs and not locally driven through design codes. Local interference often makes projects unviable. We need to help meet net zero together.

Design codes which reflect local need, such as density or other area specific requirements, are welcomed but should guide what is needed to build a healthy place, not prescribe what is required in building terms. As places grow, there must not be restrictions on high quality outcomes, for example, 'no overlooking', despite a need for high buildings with outside space, such as balconies.

7. **Do you agree with our proposals to replace existing legal and policy tests for Local Plans with a consolidated test of "sustainable development", which would include consideration of environmental impact? [Yes / No / Not sure. Please provide supporting statement.]**

   Yes, we welcome this approach and believe that in the next decade, there is a strong opportunity to also prove sustainable development through environmental engagement, especially with greater mapping of opportunity, such as sewerage/energy capacity, species, transport etc.

   7(b). How could strategic, cross-boundary issues be best planned for in the absence of a formal Duty to Cooperate?

   The Duty to Cooperate has not worked, so we welcome the Government's attempt to move away from it. Strategic planning may need to make a comeback and could be gained through elected Mayors or country councils; however, it may be time to set up a regional body of leaders called Regional or Zonal Masterplanners, which includes LEPs, councils, Mayors and statutory consultees to achieve agreement on Regional Masterplans, or agreed outcomes. If we look at cities growing beyond their limits but unable to go into National Parks, we can see one element where party politicians need to depoliticise and issue. Natural England (NE) will of course be a statutory consultee but any group must also have a green energy representative, or focus.

8. **Do you agree that a standard method for establishing housing requirements (that takes into account constraints) should be introduced? [Yes / No / Not sure. Please provide supporting statement.]**

   Yes, however, changes to local plans and digital planning must support greater information about what type of homes are needed locally and this process must be flexible, allowing people to continually input their needs, thus making future decisions/surveys more responsive. This could be done in a number of ways, either tied to an address, or council tax number.

   Businesses, including local house builders must also be integral to the process as they are more likely to understand what homes are needed in their communities as their business model is predicated on building homes which sell. Employers, especially large ones will have plans for expansion, so are more likely to do knowing there is housing supply for future employees.

   If the Government is in any doubt that the current needs assessments are failing, it should look at the self build registers inability to meet or even acknowledge demand. Despite granular data, which is easily engaged with, this policy from a local authority delivery perspective is barely even a starter and of the staff at the HBA who are on the register, none have been contacted.

The Government must consider how London fits within this picture because it has unique challenges, so needs to have almost granular detail to meet true housing need and begin delivering enough and appropriate supply. Unlike less populated regions, no amount of ambition can exceed current demand in the short term. We would like to congratulate the Government for proposing reform which could really help the wider nation, as many previous planning consolations and reform have been done with London at the heart of proposals.

8(b). Do you agree that affordability and the extent of existing urban areas are appropriate indicators of the quantity of development to be accommodated? [Yes / No / Not sure. Please provide supporting statement.]

Yes but affordability is complex because often housing type, such as family homes or homes for older people to live independently, are proportionately the most expensive but may not be factored into the formula for affordability.

There must also be provisions for transitional housing, such as homes for younger people, who will be more subject to private rent. It may therefore be worth considering a Landlord Register, to better understand the rental market.

Five year land supplies must be robust and in line with the 'White Papers' ambition for planning certainty, growth and build out.

9. **Do you agree that there should be automatic outline permission for areas for substantial development (Growth areas) with faster routes for detailed consent? [Yes / No / Not sure. Please provide supporting statement.]**

Yes. However, we have some concerns about the process because of quality of place and accessibly. On quality of place, an infrastructure first approach needs to be taken with a timeline for delivery. This ensures projects can be taken forward but will require a level of compulsory purchase to be enabled. We understand this may be uncomfortable for the Government but successful communities cannot exist through piecemeal approaches and therefore a quality of place must be established through state intervention.

In order for growth areas to work, there needs to be access opportunity for a broad range of developers. Small and medium sized builders (SMEs), will not have the finance to purchase land, therefore we propose that through design guidance (not specifically codes) and land assembly via local government or HomesEngland, we can ensure the correct homes and projects are being delivered in Growth areas. We welcome the pay for land on occupation model, though understand if safeguards need to be put in place.
We should look to the model set by Milton Keynes, which not only supported a new place but allowed new prices points to be set, which not interfere greatly with neighbouring towns, so are less likely to cause negative equity.

With Growth areas, the Government has a chance to bring back social housing, build affordable homes, create new inspiring places and ensure diversity of type, tenure and builder. This is true levelling up, especially if land assembly supports SMEs because CITB statistics show that they train 7 in 10 construction apprentices, make up 90% of the trainers and the predominant rural employers (Governments Rural Business report) are the most likely to retain staff

Growth areas are also fantastic opportunities for local people to say they want social housing and remove the political barriers councils currently face in delivering them. We welcome the Governments efforts on social homes but councils, because of local politics, are less inclined to deliver social homes themselves, even on mixed use sites. With more prominent CPO powers and local backing, we believe that the Government can expect councils to build the social homes that many tell us they want to see built.

Small builders especially are harmed by the affordable housing obsession because Registered Providers often won't take a few homes on a site, or want a row to manage. Or, they take them to immediately sell at market price but as Shared Ownership. This seems perverse; their remit should be on affordable housing, not profiteering. Homes taken by RPs should be kept as affordable and social rent and if sold as Shared Ownership, this should be done by the builder, or the discount kept in perpetuity like the First Homes proposal.

9(b). Do you agree with our proposals above for the consent arrangements for Renewal and Protected areas? [Yes / No / Not sure. Please provide supporting statement.]

Yes and we are very pleased to see the Government reference the underused development orders in their approach, as this could have been a councils design code before the Government had to propose it themselves. We believe giving Renewal areas more prominence is the correct way to allow greater time for Growth areas to be planned and delivered. We must try to build out our communities, before we build outside of them, or build new ones.

We do have some concerns that the 'fast track for beauty' is actually code for, helping big developers meet expectations. We worry that it will be used to improve identikit housing and prescribe beauty, not evolve it as SME do. SMEs could certainly build many more tree lined streets, or cycle lanes but they are typically constrained not by ambition but by service companies not allowing certain trees due to access, or local authorities no adopting cycle lanes. Delays also impact this but we recognise the Government's ambition to reduce delays and therefore development costs.

We welcome the approach to Protected areas but caution that the distinction between a Protected area and one which isn't, must be clear. Sites which border Protected areas are not in the Protected area, if they overlap, there should be clear guidance in how the site should progress, perhaps with design codes, so that certainty and delivery is not impacted. The Government should also ensure that local authorities evaluate Protected areas, as many have brownfield land which is classified as greenbelt, or protected in some other way.

We would also recommend a 'Fourth Zone', for major regeneration. This would support very large and complex sites, such as major regeneration schemes and urban extensions, with a 'long-term growth' designation. A codified approach on such a piece of land would assist in ensuring a greater number of players being able to deliver developments, much like Growth areas. Sites could be split up using the sub-division of large sites policy.

We believe a **Fourth Zone** would also help in places such as Greater London, where Renewal and Growth aren't quite correct to deliver the huge numbers of homes and the great infrastructure which is expected.

We also believe that the definition of site sizes should be altered. Currently, Minor applications are fewer than 10 homes and Major are more than 10 homes. We believe a middle tier is required, which would help redefine the thinking of development and its delivery. We would like to add 'Medium' as a definition and it would be for development sites of between 10 and 50 homes. This would support the recent planning proposal to exempt affordable housing on up to 40-50 homes and we would also be comfortable if the Medium definition was set at 40, due to 50 being closer the volume developer territory. We also feel this approach supports the Government 'zoning approach' because we feel the three definitions work in the current plan making process

10 homes and fewer – Minor, often treated as a windfall allocations
10 to 50 homes – Medium, organic growth suitable for Renewal and Protection, as well as subdivided large sites in Growth areas
50+ homes - Major, which would be more strategic in its vision, particularly in urban fringes (Renewal), Growth in smaller towns and new town Fourth zones.

9(c). Do you think there is a case for allowing new settlements to be brought forward under the Nationally Significant Infrastructure Projects regime? [Yes / No / Not sure. Please provide supporting statement.]

Yes, new towns are much needed and therefore we wholeheartedly support this proposal. There have been discussions around a 'Fourth zone' and we would propose this being used for new towns and large projects within existing places, such as cities.

10. **Do you agree with our proposals to make decision-making faster and more certain? [Yes / No / Not sure. Please provide supporting statement.]**

Yes. We particularly like the firm approach to determine applications within the statutory period because as you correctly identified, Extension of Time (EoT) requests are a standard procedure. In a recent survey, all of the HBA board has experienced more than one EoT request and only one had a project which did not suffer one. The Governments own statistics show that they are used on more than 30% of planning applications but doesn't say how many times on average they get used on one site.

Where there is a fair reason, builders understand EOT's must be used but they are mostly used because the application has been looked at in a timely manner, so LPA's need more time. Developers are also tired of providing information at the start of the process, such as landscaping or material schedules, only to have it conditioned at the end, which can also trigger an EoT. These delays are not a game and SMEs in particular cannot cope with the costs attributed to them, which is why so many are now applying for one site at a time, so they can secure definite work, rather than plan a pipeline on a number of sites and take unnecessary, business jeopardising risks.

Statutory consultees, particularly Historic England (HE), Natural England (NE), Environment Agency (EA) and water companies should have duty to cooperate in a timely manner. We have too many examples where they refuse to speak with builders despite only objecting quite literally months before planning permissions are set to expire (3 years).

We would like to add that for the last five years we have been recommending greater standardisation of technical supporting information, streamlined contributions, data rich planning registers, more open and simple planning information, digitisation and clearer planning conditions, so we are delighted to see all this included. We would particularly like to see clearer planning conditions and discharge because since they became individually chargeable; their use has grown from around 10 to sometimes 40+.

Developers are not cash cows and this is even more frustrating when information is provided at the start but then conditioned later. Unfortunately, even deemed discharge has not worked as intended because many councils won't accept their use and developers should not have to wait 8 weeks, when they have already met the condition.

We understand the LPAs are under pressure financially and so their planning departments need greater funding and/or more efficient process, which digitisation and design codes may offer but we believe there may be an opportunity for minor developers (fewer than 10 homes) to experience discharge more quickly, or deemed to be granted. However, we appreciate that this may be more complex in housing, than on infrastructure, such as doctor's surgeries.

We would also like to add a special note for the Government to support Natural England (NE) on their species licensing mapping, as believe if we can map as many species as possible, there will be an opportunity to support more development, not less. We are already working with NE on building in biodiversity on-site, rather than mitigating it elsewhere and believe with the right mapping, strategies such as wildlife corridors could support the right type of project, not automatically oppose it. With SMEs most likely to deliver on more biodiverse sites, this would be a vital solution for 99% of housing supplies, including selfbuild, housing associations and cooperative housing, who see their work delivered by SMEs anyway.

11. Do you agree with our proposals for accessible, web-based Local Plans? [Yes / No / Not sure. Please provide supporting statement.]

Yes, we are delighted with this proposal, which we have been asking government for, for many years and believe you have chosen the correct approach by getting PropTech to support it. Some local authorities have taken a more interactive approach but we need all to do this and develop an approach which is simple, standardised and collaborative.

We have an opportunity to deliver a new approach to planning and engaging more widely, especially with what people want from their communities. In order to achieve greater buy in, we believe that local people should be able to designate strategic pieces of land for development and this would help councils feels certain about their allocations.

12. **Do you agree with our proposals for a 30-month statutory timescale for the production of Local Plans? [Yes / No / Not sure. Please provide supporting statement.]**

Yes. Some local authorities have managed to do this and so we believe more should be able to. This will also ensure that updated local plans are current and not out of kilter with local need by the time they're delivered.

However, we do believe that with greater engagement through digital planning and surveying, local plans should be more nimble, specifically to meet emerging need in housing, infrastructure or employment. We need communities to grow with the times, not when bureaucracy says the time is right. The best example of why this is important is the slow process that councils adopt onshore renewables. A decade has passed and council still don't value their inclusion in local plans, as exampled by CSEs Survey of local authority wind policies, which found that only 25% of the local authorities they surveyed, were amending, or intending to amend plan to include onshore renewables.

13. **Do you agree that Neighbourhood Plans should be retained in the reformed planning system? [Yes / No / Not sure. Please provide supporting statement.]**

Unfortunately, we are opposed to Neighbourhood Plans, not because they aren't an idea with merit but because they do exactly the opposite of what they were implemented to do. They prescribe change, dictated by a few leaders; not develop a shared vision and shape development growth. Lichfields research, Local Choices identifies this reality in its housing assessments, where 60% of the plans they reviewed had no allocations or housing figures.

At the very least, plans which do not have specific agendas for growth should identify why that is, so that local people who may not have engaged appropriately, can understand what is not being delivered.

Neighbourhood Planning has not advanced sensible growth, so that people can stay local. Far too many young people leave their communities because they are outpriced, or there are no jobs. Where land constraint is offered as a reasoning, which is often the case rurally, the Government must consider how CPO can be used to deliver much needed housing and employment opportunity. This will be vital post Brexit, as the UK will need to look past the service sector economy and into more manufacturing and production.

13(b). How can the neighbourhood planning process be developed to meet our objectives, such as in the use of digital tools and reflecting community preferences about design?

Neighbourhood plans should consider how Renewal works in their area and not prescribe design, unless through streamlined planning. Prescribing design can stifle viability, so it must be incentivised, not be used as a 'standard'.

Neighbourhood Planning is a great testbed for digital engagement and for example, granular housing need surveys should be able to reach whole communities and inform Local Plans, not just Neighbourhood ones.

14. **Do you agree there should be a stronger emphasis on the build out of developments? And if so, what further measures would you support? [Yes / No / Not sure. Please provide supporting statement.]**

    Yes, and we like the focus on larger development. However, this must be proportionate because we already see how penalties work with councils who serve completion notices on small sites when they think they should be ready, not when they are ready. This then triggers a need to pay council tax on unfinished, empty properties. In some regions, typically northern ones, councils recognise that SMEs are not delaying build out, they are just delayed, so do not serve completion notices but many in more affluent regions, do, which leaves developers under serious financial pressures. Any stronger emphasis to encourage build out, may hurt small business more than large business. Decisions must be proportionate.

    We believe councils have been burnt by slow delivery of large sites and so adopt the 'SMEs are as guilty as PLCs' mantra, therefore we welcome the Government's approach to deliver a variety of development types by different builders, to allow phases to come forward together. This was typically how sites were delivered before changes to the Town and Country Planning Act 1990 and it means SMEs competed on type, quality and price across one or site within a close proximity.

    We believe any subdivision should include councils building social homes, as some SME builders work contractually, rather than delivering homes of their own. These companies are typically regional and so vital in levelling up, as they train and retain staff, or exclusively use local supply chains. NFB members, who are typically regional contractors and HBA ones, who are housebuilders have a tendency to avoid using labour they do not know because they want high quality work they do not have to return to fix.

    When there are economic downturns, as we have seen with Covid, it is always healthy to have many SMEs, as they are most agile. We hope the Government recognised the value of SMEs over lockdown as we did not stop working and continued to contribute to revenues.

    Any opportunity to improve build out rates should also consider how Compulsorily Purchase should be improved, especially to secure mixed communities, outcomes and tenure. We understand this is difficult subject but it would improve true community growth and ensure London specifically, could deliver its much needed housing needs.

Pillar Two – Planning for beautiful and sustainable places

15. **What do you think about the design of new development that has happened recently in your area? [Not sure or indifferent / Beautiful and/or well-designed / Ugly and/ or poorly-designed / There hasn't been any / Other – please specify]**

    We would like to talk about SMEs, who we believe design some fantastic places and homes. The difficulty is, delays means that initial ambition gets watered down because costs spiral, either due to materials going up in price, workers being unavailable, change in local policies, negotiations or a

lack of co-operation from consultees, such as service companies when delivering tree lined streets, or council adoptions on cycle lanes.

16. **Sustainability is at the heart of our proposals. What is your priority for sustainability in your area? [Less reliance on cars / More green and open spaces / Energy efficiency of new buildings / More trees / Other – please specify]**

The HBA lobbies for a number of sustainable outcomes;

- **Support SMEs to achieve a pipeline of work**, so they can train and retain more local workers and keep the supply chain, including local manufacturers, in business.

- **Standards through Building Regulations, not local planning**. If this is Part L – Energy Efficiency, then work with industry to ensure we have the skilled workforce to deliver increased standards. Set a standard and we will meet it. Don't allow variations locally. If a variation is wanted, such as Passivhaus, it should be incentivised with streamlined planning but still left open for Building Regs.

- **District renewables, not renewables on individual homes** as inevitably, they will not be replaced or maintained. We need energy companies, councils or groups supporting, eg-district energy of renewable power and solutions. Planning should be working out how to achieve net zero together, not putting such great burden on housebuilders.

- **Strategic planning so that we build communities**. We believe the Randstad in Netherlands, which accepts sensible urban growth, is an interesting model. It ensures that varying employment is accessible across a region on bikes, public transport or private vehicles. We must rethink what a neighbourhood supports and this must include all opportunities, eg-manufacturing and employers, SMEs.

- **Increase in transport infrastructure funding and ambition**, which ensures that strategies, such as Road Investment Strategy 2 (RIS2), incorporate public and active transport, eg-bus lanes/gates and cycle lanes on new and existing roads; widened if necessary. We also need to connect regions, for example, the decision to build the Lower Thames Crossing without rail means trains must go into London, to come out again, rather than cross a 2 miles stretch to connect East of England with the South East. Post Brexit, with ports being a vital source of opportunity, this decision seems incredibly short sighted. It will also stimulate Renewal of communities across a greater region.

- **Policies should recognise rural needs**, as in rural communities, public transport is virtually non-existent. Car transport is the only effective way of getting around. Policies should encourage working from home, live-work homes, small business hubs and developments.

17. **Do you agree with our proposals for improving the production and use of design guides and codes? [Yes / No / Not sure. Please provide supporting statement.]**

Yes, but design coding must consider more than just the development itself and also consider the wider local social and economic outcomes such as employment, infrastructure and how the development sits within a local community. We propose that Design Guides for places, and Codes to achieve specific outcomes. Designs are unique, and the architect should continue to have a more

important role than the planners.

We need to design good places, not prescribe what is good and therefore Design Guides, would set ambitions and guidance to deliver varied places.
Growth, Renewal, Protected and a 'Fourth' area would benefit from different approaches to design codes, so that, for example in an area where heritage is found through archaeology, heritage is showcased on the site, rather than development ended to protect it. We would very much like to be part of delivering future codes and our membership is spread across the UK, so we have many members who build to meet local vernacular.

London would certainly benefit from a design code, as even council projects can take up to seven years to get off the ground. This should not be the case and although we welcome gentle density, design codes for much greater density should be explored so that we deliver homes people want to live in, such as split level housing in flats, or balconies. We need a sense of space, as London has a real challenge to deliver its family housing needs and is not doing enough to deliver it.

18. **Do you agree that we should establish a new body to support design coding and building better places, and that each authority should have a chief officer for design and place-making? [Yes / No / Not sure. Please provide supporting statement.]**

Yes. We welcome this approach but caution that we should not be prescriptive, or allow development to be deterred by too stringent approaches. There is no objective standard for beauty and no national code should prescribe it. This is especially true when we consider that people live inside homes, not staring at the outside of them.

As we believe our members build some of the best homes, for example RIBA winner Goldsmith Street in Norwich and most use architects, we would hope to be part of this body.

Some members have expressed nervousness about a new body for design code oversight. One member cited a design review panel in the South West, where planning departments often ask them to take schemes through Design Review Panels before submitting (which is voluntary). They often refuse because it adds massive cost and massive delay and usually ends up recommending change to proposals for change sake and ideology, driven by architects who are not designing similar projects, or involved in the costings.

Variation is also beautiful and across the nation, some areas beauty is their great variety of housing type, design and positioning. Terraces, as beautiful as they can be are not the only form of beauty in planning. Places should be allowed to change and modernise, as well as take the best of the past. This will be a vital perspective in Protected areas.

19. Do you agree with our proposal to consider how design might be given greater emphasis in the strategic objectives for Homes England? [Yes / No / Not sure. Please provide supporting statement.]

Yes because we believe that HomesEngland can be champions for change however, we have two major concerns.

1. Without greater Compulsory Purchase Order (CPO) and planning powers, their remit is vastly stifled (exampled by their struggles on small sites), so this must change. They cannot land assembly coherently, which means their remit is vastly reduced. The Government should learn from the Addison Act 1919, which gave planning powers to Local Government Boards, when councils failed to meet their obligations. HomesEngland could and should be those boards.
2. HomesEngland have themselves failed to deliver good quality, sustainable places due to focusing on offsite and modular housing, using a 60 year lifespan (two mortgage cycle) procurement strategy and not advancing standardisation of technology. This approach is not sustainable and at a huge cost to the tax payer.
   We have raised this and cannot understand why there is not a greater emphasis on the definition framework of MMC (7 definitions) as a whole, to support the wider housebuilding industry. MMC should be modernising traditional builds too, which insurers favour due to the lower total loss. We should not be interfering with the market in this manner and supporting big business, when SMEs need the help the most.

HomesEngland either need greater powers to help standardise industry change, or to focus on meeting housing targets. Greater responsibility will not deliver the appropriate outcomes.

20. Do you agree with our proposals for implementing a fast-track for beauty? [Yes / No / Not sure. Please provide supporting statement.]

We remain cautious about this approach.

As previously mentioned, this appears a policy to help volume builders build better and while it will certainly help SMEs win more work, it may stifle the creativity and difference they pride themselves on. SMEs pride themselves on being better than volume builders because their products are unique and built for their local market. We see this with the low number of complaints they receive and the fact they were not caught up in the leasehold scandal. I hope the Government can therefore understand why we go into this with trepidation.

The HBA will always support greater certainty but believe that there is not only a danger that prescribed beauty is delivered but that utopic master planning will stifle decision making; for example, removing cars from places before the appropriate transport infrastructure is in place, or employment opportunity is delivered. We already see planners overruled by councillors and their opinions disregarded. We are concerned that unless professionals are in charge of the outcomes, delivery will be extremely difficult.

A light touch approach, for example, on what homes are needed and why, or how an area links up to existing infrastructure, may be more appropriate. This would allow local people to engage in what type of tenure they need and allocate land for that, for example: social housing, rather than design

how nice the area would look but consequently make it lack density and unviable in terms of delivery.

The 'Building Better, Building Beautiful Commission' did not consider how highly dense buildings are delivered, yet in London, these projects will be the future of the city's housing delivery. We therefore are concerned that the focus of 'building beautiful', is targeting the wrong places.

Pillar Three – Planning for infrastructure and connected places

21. **When new development happens in your area, what is your priority for what comes with it? [More affordable housing / More or better infrastructure (such as transport, schools, health provision) / Design of new buildings / More shops and/or employment space / Green space / Don't know / Other – please specify]**

    That it delivers true housing need.

22. **Should the Government replace the Community Infrastructure Levy and Section 106 planning obligations with a new consolidated Infrastructure Levy, which is charged as a fixed proportion of development value above a set threshold? [Yes / No / Not sure. Please provide supporting statement.]**

    Yes. Builders continue to struggle with CIL and Section 106 and landowners and promoters continue to do very well. However, CIL will never deliver the necessary funding to pay for all works, therefore we welcome the Government opening up lending to councils.

    We also believe a greater share of gain should come from other organisations, such as the auto industry, or electricity companies, who benefit greatly from infrastructure investment, sometimes fully paid for by the developer who never sees a return. This is obvious for motor vehicles, as developers put in roads but less so when developers put in infrastructure, such as substations or broadband, and the service sector profit in perpetuity.

    22(b). Should the Infrastructure Levy rates be set nationally at a single rate, set nationally at an area-specific rate, or set locally? [Nationally at a single rate / Nationally at an area-specific rate / Locally]

    For simplicity, we support a national levy which is regionally weighted. This will also ensure land owners know what they will need to contribute, or take off the value sold to the developer or builder. Regional weighting needs to be broken down in each of the 'areas' or 'zones'. For example, in Devon there is a great difference between Exeter and rural North Devon.

    We believe this should be set by the Government, to ensure the least interference from local authorities. They can of course lobby to set it higher but it must be in line with their Infrastructure Statement and plans.

    In terms of the levy itself, we are torn between the money being held centrally and councils borrowing from Government, which is then paid back when levy payments come in. Or, perhaps

most organisations preference, the levy being held locally. We believe whichever solution is chosen, it must be in line with published Infrastructure Statements and Timelines, so that there is no doubt that infrastructure will not hold up housing. Developers paying a levy should not be held up because the council still needs to collect from others. If you pay in, you should be able to start work.

CIL currently takes far too long in the system with legal departments. Nationally agreed clauses are welcomed and necessary.

22(c). Should the Infrastructure Levy aim to capture the same amount of value overall, or more value, to support greater investment in infrastructure, affordable housing and local communities? [Same amount overall / More value / Less value / Not sure. Please provide supporting statement.]

This is a loaded question. Instinctively we would say the same, as this simplifies any change and because developers are continually being asked for more and more money, when others will, in perpetuity, benefit from a builders investment. This becomes most prominent when we consider affordable housing contributions because if it will be on site, the cost of delivery cannot be know from the outset, therefore a viability assessment may still be needed.

We would therefore offer a different solution to affordable housing, so that councils who want them, would pay 'brick on brick' costs for them. This will ensure that we do not continue the perverse situation where Registered Providers (RP) get a home at a discount rate, then sell it as shared ownership to immediately achieve a profit, as well as an asset to borrow against. On-site homes delivered as affordables by the market, should either be sold as Shared Ownership by the developer, the discount held in perpetuity, or remain social or affordable rent.

RP's should be encouraged to build their own homes with the newly proposed planning certainty (something they also struggle with) and councils should be able to use the new CIL regime and borrowing powers to purchase social homes at the aforementioned 'brick on brick' costs, which RPs could also purchase but would have to commit to social rent.

22(d). Should we allow local authorities to borrow against the Infrastructure Levy, to support infrastructure delivery in their area? [Yes / No / Not sure. Please provide supporting statement.]

Yes; however, local authorities should do so in line with a published infrastructure timeline and roadmap, which includes the Infrastructure Statements crafted through planning gain. Local authorities should be encouraged to put infrastructure in first where possible and not delay development when their timeline is behind. We would welcome the Government pump priming a fund, so that strategic efforts to put infrastructure down first can occur. We felt the Housing Infrastructure Fund (HIF) showed how important government support to grow, is.

The Government should also put a safeguard in place, in case any economic downturns harm a local authorities borrowing.

23. Do you agree that the scope of the reformed Infrastructure Levy should capture changes of use through permitted development rights? [Yes / No / Not sure. Please provide supporting statement.]

Yes. There should be no exemptions because we all have to contribute, even a property gaining a new floor.

24. Do you agree that we should aim to secure at least the same amount of affordable housing under the Infrastructure Levy, and as much on-site affordable provision, as at present? [Yes / No / Not sure. Please provide supporting statement.]

Yes, however, we do not believe that the current system where RP's can profit from developers on-site housing is healthy. On-site provision should be purchased at 'brick on brick' costs, from the developer and the difference between market and cost, taken off the levy. If RP's do gain homes from developers, it should be rented at social rent in perpetuity and the Right to Buy qualification period should be set at 10 years. The Government must take its chance to support Right to Buy and social housing.

Developers have been charged with delivering affordable housing because so little social housing is delivered. There needs to be greater guidance offered to councils to deliver council housing and overcome barriers. Some of this could be commercial support, understanding how to partner with builders, or accessing finance but the Government may also need to consider whether the qualification period for tenants to access Right to Buy, currently set at three years, is harming the motivation and lending ambition of councils to build council homes. The LGA has proposed locally set discounts, which may be a good alternative to increasing the qualification period. This was part of their 'Right to Buy, What needs to Change' report. Greater CPO powers would also help.

24(b). Should affordable housing be secured as in-kind payment towards the Infrastructure Levy, or as a 'right to purchase' at discounted rates for local authorities? [Yes / No / Not sure. Please provide supporting statement.]

In-kind payment. If councils want to purchase homes at 'brick on brick' costs, the difference between that cost and market price should come off the levy. This ensures more homes are social or affordable rent homes.

24(c). If an in-kind delivery approach is taken, should we mitigate against local authority overpayment risk? [Yes / No / Not sure. Please provide supporting statement.]

The most appropriate way for Local Authorities' to mitigate against in-kind payments should be to pay brick on brick costs. This could be validated using existing viability assessments.

24(d). If an in-kind delivery approach is taken, are there additional steps that would need to be taken to support affordable housing quality? [Yes / No / Not sure. Please provide supporting statement.]

The quality of affordable housing should be driven through Building Regulations. If the Governments main concerns are, for example, Part L - energy efficiency, it should ensure this is reflected in a change to Building Regulations. We welcome greater funding for Building Regulation departments, or a return to the Clerk of Works.

25. **Should local authorities have fewer restrictions over how they spend the Infrastructure Levy? [Yes / No / Not sure. Please provide supporting statement.]**

Yes. However, revenues from the levy should always be spent on infrastructure, including feasibility studies for infrastructure projects. We would also recommend an industry or government Taskforce to review whether infrastructure funding statements are being delivered.

Local authorities should have five years to spend revenues, or to allocate spending to tangible, time-lined infrastructure projects.
This could be extended to eight years to support local capital projects and be granted by the Secretary of State.

If after five years, the levy has not been spent, or the Secretary of State is unable to support local capital projects, the levy should be handed to the regions elected Mayor to be paid within the subsequent three years. If no Mayor exists, the levy should be returned to the business who contributed it after a period of five, or eight years.

Such an approach would ensure that Mayors, such as the London Mayor, would not be in a position where the City of London is sat on £125million of planning gain but no coherent plan to spend it.

25(a). If yes, should an affordable housing 'ring-fence' be developed? [Yes / No / Not sure. Please provide supporting statement.]

Yes; however, we believe that the Government may like to advise on the split of funding because greater supply due to infrastructure investment will mean more housing in general, so more competition in the market. Growth, Renewal and planning certainty will succeed if infrastructure is a key driver and that must be recognised.

We would recommend that any money given to Mayors after failure to be spent, should be spent within three years and could be ring-fenced exclusively for affordable housing. This would ensure London councils in particular have a much higher level of affordable housing. The City of London, should not have been able to hold on to huge amount of developer paid planning gain, when there is a housing crisis in the capital and the Government keeps getting asked for money to solve it.

What happens next…

26. Do you have any views on the potential impact of the proposals raised in this consultation on people with protected characteristics as defined in section 149 of the Equality Act 2010?

No response.