

'Unlock the housing blockers'

(for full report see www.secouncils.gov.uk)

Tackling unimplemented planning permissions and housing delivery barriers in the South East – January 2017



SEEC's 7 recommendations to Government for change are to:

1. Provide discretionary local powers to tackle slow delivery of approved housing plans and permissions, allowing councils local freedom if they wish to:
 - charge council tax or other fees on unnecessarily delayed building of permissions
 - reduce the length of time a planning permission is valid.

Timing and charges should be for individual councils to set out, based on local circumstances. However, examples suggested by SEEC members include the ability to levy charges related to the increased value of land once planning permission has been granted. Many members are also keen to develop more robust criteria for what constitutes commencement of development to help councils encourage progress.
2. Ensure SME builders have greater access to finance, which could contribute to improving competition in the building industry and increasing build-out rates. Government should consider a form of pre-sales guarantee for smaller housebuilders which will help them secure loans to build, and/or direct loans guaranteed against land value.
3. Give certainty to all involved in development by committing nationally to a stable and simple locally-led planning system, including tools to ensure timely development, for example allowing planning conditions that set delivery targets. This will help developers plan ahead and, for councils, will reduce administrative burdens that sap limited resources and detract from delivery.
4. Help boost the supply of much-needed skills in the construction industry by increasing the responsiveness of the skills system; this could include more input from councils and other partners to better target funding to the training needed, and support for vocational training/career paths.
5. Sustain capacity in councils to deliver effective planning services, and stop the public purse subsidising developers, by allowing councils to locally set fair levels of planning application fees to recover full costs.
6. Better help to deliver affordable homes by allowing councils:
 - more funding flexibilities to build affordable social housing directly eg. freeing-up finance through the Housing Revenue Account that would allow councils to build affordable homes at scale and ensure there is a locally-appropriate mix of market and affordable homes to buy and rent. Members would also welcome support for councils who want to set up housing companies
 - to determine, working with developers, adequate contributions (such as S106 and CIL) towards affordable homes from all forms of developments, including starter homes and small sites. Councils should have flexibility to set locally-appropriate contribution rates and have the ability to pool more than 5 contributions to fund bigger supporting infrastructure projects.
7. Give councils powers and flexibilities to help fill the funding gap for large scale strategic infrastructure projects which go beyond the scope of S106/CIL or individual council and LEP budgets. Key elements of this should be:
 - allowing South East local authorities to retain a greater share of locally generated business rates, to access a share of stamp duty receipts and have more local control over setting council tax, which would all help support investment in infrastructure
 - access to one or more infrastructure funds - similar to those available for elected mayors – and greater certainty over local authority future revenue streams to allow councils to borrow with confidence to fund specific infrastructure projects; and supporting councils who want to forward-fund infrastructure through Joint Ventures with developers.