



Developing in the new normal

Covering the latest topics, aimed at developers, investors and contractors

10 September 2024

Panellists: Digby Morgan, Rachel Ford and Joe Holland

Agenda

- Consultation on changes to the NPPF
 - Overview of consultation
 - Mandatory Housing Targets
 - Other provisions for ensuring adequate supply of land for housing
 - Brownfield, Green Belt and "grey belt"
 - Affordable housing: section 106, social rent and First Homes
 - Central government intervention

Mandatory housing targets

- Advisory targets replaced by mandatory targets
- Formula used to calculate targets also changed:
 - Previous formula based on projected household growth (2014 data) plus 35% urban uplift in 20 largest urban areas (subject to overall caps)
 - New formula is simply 0.8% growth in number of existing homes, no urban uplift, no cap
 - Both methods had adjustment factor for affordability, but this is greater under new formula
- Overall housing target for England will increase from 305,000 to 371,000 per year
- Removal of urban uplift means the increases are concentrated in non-urban areas (with London's target decreasing by 20%)

Supply of land for housing

- Presumption in favour of sustainable development
- Density exemption ("wholly out of character with the existing area") removed
- Rolling 5-year housing land supply with 5% buffer
- Requirements for new developments to be "beautiful" removed



Brownfield, Greenbelt and "grey belt"

- Brownfield first
- Definition of "grey belt":
"land in the Green Belt comprising previously developed land and any other parcels and/or areas of Green Belt land that make a limited contribution to the five Green Belt purposes but excluding those areas or assets of particular importance"



Brownfield, Greenbelt and "grey belt"



- Sequential release of Green Belt land, subject to the "Golden Rules":
 - At least 50% affordable housing
 - Necessary improvements to local infrastructure
 - Improvements to local green spaces
- Viability assessments and benchmarked land value
- CPOs and removal of "hope value"

Section 106, social rent and First Homes

- Section 106 to be improved (and Infrastructure Levy scrapped)
- Policy requirements for affordable housing:
 - Must give particular consideration to social rent
 - Minimum 10% requirement for low cost home ownership removed
 - Minimum 25% requirement for First Homes removed
- Mixed tenure schemes promoted (including build to rent)
- Predominantly or exclusively affordable schemes also supported, especially where there is a high percentage of social rent

Central government intervention



Accompanying letter to local authority leaders:

"The Government is committed to taking action to ensure authorities have up-to-date local plans in place, supporting local democratic engagement with how, not if, necessary development should happen. On that basis, and while I hope the need will not arise, I will not hesitate to use my powers of intervention should it be necessary to drive progress – including taking over an authority's plan making directly"

Other changes

- Changes to support specific commercial development
- Changes to support green energy and the environment e.g. onshore wind
- "Vision-led" approach to transport planning, focussing on desired outcomes > "predict and provide"
- New policy statement on New Towns
 - Greenfield as well as urban extensions
 - At least 10,000 homes
 - New Towns Code. 40% affordable, with focus on social rent
 - New Towns Task Force
 - Spades in the ground before the end of this Parliament.

Audience questions

- What are the forecasted impacts on actual delivery and available grant?
- What is the government's role in delivering affordable housing, and what more can be done?
- What is the "new normal"
- What is your view on the proposed changes to Housing Delivery Targets for LAs?

Contact

Digby Morgan

Partner

+44 (0)121 214 8846

Birmingham

dmorgan@towers.com

Rachel Ford

Senior Associate

+44 (0)121 214 8868

Birmingham

rbford@towers.com

Joe Holland

Associate

+44 (0)121 203 5637

Birmingham

jholland@towers.com

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@towers_law