



DEBATE PACK

Number CDP2017/0135, 4 July 2017

Challenges facing new towns

This pack has been prepared ahead of the debate to be held in Westminster Hall on Wednesday 12 July 2017 from 2.30-4pm on challenges facing new towns. The debate will be opened by Lucy Allan MP.

Wendy Wilson; Louise Smith

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The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

1. Summary

1.1 New towns

Towards the end of the Second World War, attention was directed to the post-war reconstruction of Britain's towns and communities. The possibility of building new towns had been accepted in 1945 by a government committee chaired by Lord Reith. The new towns created were largely based on the work of Patrick Abercrombie, a leading town planner. He advocated a new urbanism based on ease of movement of the motorcar and separation of housing, commercial and industrial into dedicated estates.¹

The *New Towns Act 1946* established an ambitious programme for building new towns. It gave the government power to designate areas of land for new town development. A series of "development corporations" set up under the Act were each responsible for one of the projected towns. Stevenage, in Hertfordshire, was the first new town created under the Act, with ten others following by 1955. Most were intended to accommodate the overspill of population from London. Since the Act, Parliament has authorised further developments of New Towns in England, Scotland and Wales and Northern Ireland.

A number of [criticisms](#) have been levelled at new towns. A Communities and Local Government Select Committee report from 2008 identified three main issues:

6. The Committee identified three particular infrastructure problems facing the New Towns:

Transport infrastructure: "Many of the submissions to the committee pointed to the dispersed nature and low density of development in all the New Towns and the segregation of uses. As a result the residents need to travel further than in many traditional towns and cities. Whilst local services have been provided within walking distance in neighbourhoods, access to the town centres relies heavily on car use. Although some of the Development Corporations included public transport provision within their masterplans, the bus services are inadequate in many towns."

Town centres: "At the centre of all the New Towns, a shopping centre has been developed to meet the needs of the surrounding populations. Many have suffered from poor design and layout. Most are now out-of-date and as a result, residents are choosing to shop in other locations."

Housing design and public space: "Much of the housing was put up quickly using 'innovative' designs which have not stood the test of time. It now requires demolition or at least major refurbishment. [...] English Partnerships acknowledged that the provision of community facilities such as playgrounds and community centres in many New Towns was not adequate and that some open spaces were not very well planned. It accepted

¹ *Britain's New Towns: Garden Cities to Sustainable Communities*, Anthony Alexander, Routledge, 2009

that it was now having to address ‘some of the poorer work that was done 20 or 30 years ago.’”²

1.2 New housing developments

In its February 2017 [Housing White Paper](#) the previous Conservative Government pledged support for future new towns as well as garden cities, towns and villages:

To support the delivery of existing and any future garden communities, we will:

- ensure that decisions on infrastructure investment take better account of the opportunities to support new and existing communities;
- legislate to enable the creation of locally accountable New Town Development Corporations, enabling local areas to use them as the delivery vehicle if they wish to. This can strengthen local representation and accountability, and increase opportunities for communities to benefit from land value capture; and
- following the previous consultation on changes to the National Planning Policy Framework, amend policy to encourage a more proactive approach by authorities to bringing forward new settlements in their plans, as one means by which housing requirements can be addressed.³

For further information see the Library briefing paper, [Garden Cities and Planning for Housing](#).

Although many new housing developments and estates are not officially classed as new towns or set up under new towns legislation, these new developments sometimes attract similar criticisms and bring a number of different challenges.

Location

The issue of where larger housing estates should be located is contentious one, particularly if green belt sites are proposed. The Government’s planning policy generally regards the construction of new buildings as “inappropriate” for the green belt. For further information see Library briefing paper, [Green Belt](#).

Building on previously developed (brownfield) land is often seen as desirable, but there are a number complicating factors that can arise:

- Cost. Brownfield land is often more expensive to buy when compared to green field sites.
- Complex land ownership structures. It has been estimated by that 20% of brownfield land is in unknown ownership and the lack of accurate land ownership information makes it difficult for developers or local authorities to purchase the land.⁴
- Valuing the land. Developers often face difficult negotiations when owner aspirations as to the value of brownfield sites conflict

² House of Commons Communities and Local Government Committee, [New Towns: Follow-Up](#), Ninth Report of Session 2007–08 HC 889, 11 July 2008

³ HM Government, [Housing White Paper](#), February 2017, p84

⁴ CPRE, [Putting brownfield first: overcoming barriers to redevelopment](#), 24 September 2014

with the price of the land which would make it viable for development.

- Contamination. Brownfield land will often need clearing, buildings demolished and may be contaminated. The cost of remediation may make a site unviable for development. Obtaining the necessary permissions can be delayed by negotiations over clean-up operations and other concerns.
- Access. Brownfield sites may be surrounded by other buildings making access to the site difficult.
- Neighbours. If the site is surrounded by occupied buildings planning conditions may be imposed which limit the routes that vehicles can take to the site, limit the hours of work on the site, limit the amount of noise and emissions coming from the site and require added site security measures. Conversely if the neighbours are heavy industries then the site may not be suitable for housing.
- Lack of existing infrastructure. The location of sites sometimes means no accompanying infrastructure exists such as roads and transport connections, local shops and services, schools and healthcare facilities.

Funding for infrastructure

When new development is given planning permission and built it brings with it pressure on existing local infrastructure, such as roads, schools, health facilities, parks and leisure facilities. Originally local planning authorities (LPAs) could require funds from developers to pay for this burden under section 106 of the *Town and Country Planning Act 1990*. Under this Act LPAs could also require developers to provide this infrastructure themselves. Any agreement was a matter of negotiation between the LPA and development.

In an attempt to provide more certainty to developers upfront about these additional costs of development, the Community Infrastructure Levy (CIL) was introduced to fund particular types of infrastructure, with the cost related to the size of the new development. CIL does not entirely replace the system of section 106 contributions and the two systems currently sit alongside each other, although should not overlap.

Community Infrastructure Levy (CIL)

The CIL is a levy that local authorities in England and Wales can choose to charge on new developments in their area. It is basically a charge on new buildings and extensions to help pay for supporting infrastructure. In areas where CIL is in force, land owners and developers must pay the levy to the local council. The money raised from the CIL can be used to support development by funding infrastructure that the council, local community and neighbourhoods want. Under section 216 of the *Planning Act 2008* the types of development that the CIL can be used to fund are:

- (a) roads and other transport facilities,
- (b) flood defences,
- (c) schools and other educational facilities,
- (d) medical facilities,

- (e) sporting and recreational facilities, and
- (f) open spaces

The CIL was brought into force on 6 April 2010 by the *Community Infrastructure Levy Regulations 2010* (SI 948), made under section 206 of the *Planning Act 2008*. Changes to the scheme have subsequently been made by further regulations.

The CIL charges are set by the local authority, based on the size and type of the new development. It is payable on most developments over 100sqm or where a new dwelling is created. The local authority must first consult on a produce a CIL charging schedule. It can set different rates for different geographical zones in their area and for different intended uses of development. This is a local decision based on economic viability and the infrastructure needed. There is no requirement for a local authority to charge the CIL if it does not want to – it can be set at a zero rate.

[Government guidance on CIL](#) clarifies the relationship between the CIL and section 106 agreements. The basic premise is that there should be no double charging to developers of the CIL and section 106 agreements for the same purpose.

Section 106 agreements

Section 106 agreements, sometimes known as “planning obligations” or “planning gain” stem from agreements made under section 106 of the *Town and Country Planning Act 1990* (TCPA), as amended. They are agreements negotiated between the developer and the LPA to meet concerns that an LPA may have about meeting the cost of providing new infrastructure. Section 106 agreements are legally binding, and the obligations may be either in cash or kind, to undertake works, provide affordable housing or provide additional funding for services.

Planning obligations to support new development must help meet the objectives of the local plans and neighbourhood plans for a particular area. The NPPF sets out that Planning obligations should only be sought where they meet all of the following tests:

- necessary to make the development acceptable in planning terms;
- directly related to the development; and
- fairly and reasonably related in scale and kind to the development⁵

For further information see Library Briefing Paper, [Planning Obligations \(Section 106 Agreements\)](#).

Concerns about local infrastructure delivery

In January 2014 a research report by Peter Brett Associates on [Closing the Gaps in Infrastructure Delivery](#), said that “a gap has emerged between the broad infrastructure strategies underpinning statutory

⁵ Department for Communities and Local Government, [National Planning Policy Framework](#), March 2012, para 204

Local Plans and on-the-ground projects.” The report found that many LPAs had a lack of strategy in relation to how infrastructure should actually be delivered:

PBA has carried out qualitative research to find out how local authorities are planning for infrastructure across England. We got some interesting results, some of which accord with earlier work by University College London.

The PBA survey found that most local authorities have created broad infrastructure strategies. This is to be expected. But few have set out clear priorities and timetabled programmes for delivery.

We had hoped to find that authorities planning a Community Infrastructure Levy (CIL) were more likely to have made practical programmes for infrastructure delivery. But this was not the case. Instead, it appears that the authorities with a CIL have been concentrating on getting that CIL in place, rather than working out how infrastructure might actually be delivered.

Whilst this may be a sensible response in the short term, CIL increases delivery responsibilities for local authorities, so that gap will need to be plugged soon.

We also found that engagement with businesses, developers, infrastructure providers, and Local Enterprise Partnerships is often cursory. This is a shame, because there is much to be gained from understanding the objectives and programmes of other stakeholders – and making best use of available resources.⁶

In November 2015 the then Government [announced](#) that Liz Peace, former chief executive at British Property Federation, would chair an independent group to conduct a review of the Community Infrastructure Levy (CIL). The purpose of this group was to assess the extent to which CIL does or can provide an effective mechanism for funding infrastructure, and to recommend changes that would improve its operation in support of the Government’s wider housing and growth objectives.⁷

The final report of the CIL Review Group, [Independent report: Community Infrastructure Levy review: report to government](#), (which was submitted originally to the Government in October 2016), was then published alongside the Housing white paper in February 2017. The Government stated that it would examine the options for reforming the system of developer contributions and would respond to the independent review and make an announcement at Autumn Budget 2017.⁸ This would also include the CIL’s relationship with Section 106 planning obligations and the system of developer contributions as a whole:

The independent review of CIL [the Community Infrastructure Levy] and its relationship with Section 106 planning obligations, published alongside this White Paper, found that the current system is not as fast, simple, certain or transparent as originally

⁶ Peter Brett, [Building Infrastructure: Achieving Growth](#), January 2014

⁷ HM Government, [Review of the Community Infrastructure Levy: Terms of Reference](#), November 2015

⁸ HM Government, [Fixing our broken housing market](#), 7 February 2017, para 2.29

intended. The Government will examine the options for reforming the system of developer contributions including ensuring direct benefit for communities, respond to the independent review and make an announcement at Autumn Budget 2017. The Government will consider dispute resolution further, in the context of this reform.⁹

Design and place making

Chapter 7 of the Government's [National Planning Policy Framework](#) (NPPF) is titled "Requiring good design". It sets out that:

It is important to plan positively for the achievement of high quality and inclusive design for all development, including individual buildings, public and private spaces and wider area development schemes.¹⁰

The NPPF emphasises that it is for local authorities and local areas through the making of local and neighbourhood plans to develop "robust and comprehensive" policies that set out the quality of development that will be expected for the area.¹¹ It also states that local authorities should consider using design codes where they could help deliver high quality outcomes, but that unnecessary prescription should be avoided:

...design policies should avoid unnecessary prescription or detail and should concentrate on guiding the overall scale, density, massing, height, landscape, layout, materials and access of new development in relation to neighbouring buildings and the local area more generally.¹²

A report from 2010 from CABI (now the Design Council), the UK government's adviser on design, highlighted some of the advantages of good design:

Well-designed housing also has many benefits:

- It can improve social well being, quality of life and a community's sense of pride in the neighbourhood, as well as people's willingness to accept new development at all.
- It can bring public health benefits. Research shows the costs to society of poor housing may be greater than £1.5 billion per year.
- It increases property values. Case studies show that exemplar schemes can achieve higher residual values than conventional schemes, whereas poor design can reduce future sales values.
- It reduces crime. Research shows that residential developments designed to Secured by Design (SBD) standards showed lower reported crime rates and less fear of crime than those without. Conversely the average cost of building in SBD measures was just £440 per new

⁹ HM Government, [Summary of responses to the technical consultation on implementation of planning changes, consultation on upward extensions and Rural Planning Review Call for Evidence](#) 7 February 2017, para 6.17

¹⁰ HM Government, [National Planning Policy Framework](#), March 2012, para 57

¹¹ HM Government, [National Planning Policy Framework](#), March 2012, para 58

¹² HM Government, [National Planning Policy Framework](#), March 2012, para 59

dwelling, compared with average losses of £1,670 per dwelling from burglary.¹³

In 2016 the RTPI (Royal Town Planning Institute) highlighted how the quality of neighbourhoods and access to amenities was linked to inequality and social deprivation:

Many of the root causes of deprivation and social inequality are bound up in the poor quality of neighbourhoods – places that have no employment and lack community amenities, are poorly connected or simply run down. Good planning is the one tool in our hands that can make places increase people’s opportunities and help lift them from poverty.¹⁴

The RTPI’s report, [Poverty, Place and Inequality - Why places-based approaches are key to tackling poverty and inequality](#), made a number of recommendations:

Regeneration programmes need to incorporate measures to address unemployment and help local residents. The report cites the success of Workplace, an employment one-stop shop established in 2007 in Newham, London, to build on the regeneration of the area due to the Olympics.

Local Enterprise Partnerships in England could also play a much stronger role in co-ordinating transport and access to employment, directing jobs and capital to poorer areas, and investing in people’s potential through training schemes.

Case studies show what can be achieved when ‘place poverty’ is taken seriously, for example by maintaining and adding social housing and providing better community facilities. The Gorbals and the Central Govan Plan regeneration initiatives in Glasgow, and the Ocean Estate in London, show how improving places help increase employment and reduce the welfare bill.¹⁵

Broadband for new developments

Voluntary agreement

With new housing development concern is sometimes raised about whether a broadband connection will be available.

There is a [voluntary agreement between BT Openreach and the Home Builders Federation](#) (HBF) brokered by the Government in February 2016. It does not place any legal requirement on developers but the aim of the agreement is that fibre-based broadband¹⁶ is installed in new housing developments (defined as two or more new premises on the same site including single dwelling units (houses) and multiple dwelling units (flats/apartment blocks)) either at no cost to the developer or co-funded by the developer and Openreach. [According to HBF](#), its members deliver about 80% of the new homes built in England and Wales each year.

This does not mean that every new housing development will definitely get fibre broadband connections, rather that developers will be able to

¹³ CABE, [Improving the design of housing](#), August 2010

¹⁴ RTPI, [Place poverty must be tackled](#), new report says May 2016

¹⁵ RTPI, [Place poverty must be tackled](#), new report says May 2016

¹⁶ Fibre to the cabinet infrastructure will typically be offered however, where possible, developers will also be offered the option of fibre to the premises.

get a clear idea of how much it would cost to ensure a fibre connection (which may be free or at a cost). Developers are not required to access this information but those that are members of the HBF are encouraged to do so. In some circumstances it is acknowledged that the cost will be “considerable” and other options such as community funding or other technologies may have a part to play.

This is explained further in the letter from HBF and Openreach describing their plans:

Developers will have access to a clear, up-front indication where a site can be connected for free or where Openreach and Developer co-funding is required for a development and then be in a position to determine whether to take up the offer as set out in the Openreach ‘rate card’. They will also have the option of seeking alternative provision or adopt a standard copper connection.

Openreach expect that overall more than half of new site premises can be connected to Fibre Broadband Infrastructure free of charge to Developers. For smaller New Site developments Openreach’s existing Fibre coverage is 73% and this figure is expected to increase to c.80% over the next few years due to further rollout plans, in these cases the connection will be free. However, although the co-funding offer is available to all those outside of existing coverage, for some of these smaller developments the cost to connect will be considerable and it is for these that wider community funding and alternative technologies could have a role to play. Openreach and the HBF jointly recognise there is still more work to be done to come up with solutions for the smaller developments of fewer than 30 homes where they do not benefit from existing coverage.¹⁷

Further explanation is provided on [Gov.UK](#):

From today, the housing industry will have access to a ‘rate card’ from Openreach which details the fixed cost contributions required by homebuilders in those cases where joint funding is required. Openreach will make a significant contribution itself before seeking any funds from developers.

HBF will promote and support uptake of the co-funding offer amongst their members, and emphasise the need to plan for connectivity early in the development.

This new offer sets a high bar for all suppliers and developers in the market, and Government will be working with industry closely to monitor success over the next year.¹⁸

Building Regulations

In addition to the voluntary agreement above, the *Building (Amendment) Regulations 2016* have amended building regulations to require that all new buildings have the infrastructure required to support a superfast broadband connection (but do not go as far as to require provision of the connection itself).

These apply to any new building regulations applications submitted after 31 December 2016. The Government has published [guidance and](#)

¹⁷ Openreach and HBF, [Letter to Government](#), 3 February 2016

¹⁸ Gov.uk press release, [New build homes to have superfast broadband connectivity](#), 5 February 2016

[information](#) on these changes, which has been issued to relevant local building control bodies.

Further information

Detailed information on broadband can be found in the [Library Briefing on Superfast Broadband Coverage in the UK](#).

1.3 New build housing: management fees

It is not uncommon for local authorities, as a condition of granting planning permission for new developments, to require developers to include a covenant when selling properties on the site, obliging the owners to contribute to the cost of the future upkeep and management of open spaces/communal areas. Prospective owners should be alerted to the existence of such a covenant by their solicitors as part of the conveyancing process. Developers often appoint a management company to carry out this work on their behalf - thus the contract is between the developer and the management company - rather than with the home owners, although the home owners are obliged (as a result of the covenant) to pay for the works.

If a freeholder wishes to challenge the charge levied by the managing agent; for example, on the grounds that the charge is unreasonable or the work paid for is not carried out, they need to seek professional legal advice. There are no statutory provisions giving freeholders the right to challenge covenants of this type.

Freeholders also have no statutory right to remove or replace the management company. One option may be to try to persuade the developer to terminate the contract and appoint a new management company if problems arise.

The Association of Residential Managing Agents has published an advice note: [Freehold houses on private estates](#).

1.4 Selective licensing

Where new housing developments contain homes in the private rented sector it can raise concerns about how landlords are regulated.

Sections 79, 80 and 81 of the *Housing Act 2004* provided for the introduction of a scheme of selective licensing of private landlords in a local housing authority's area. The provisions came into force in April 2006 and apply in England and Wales.

The power for authorities to introduce selective licensing was intended to address the impact of poor quality private landlords and anti-social tenants. It was primarily developed with the need to tackle problems in areas of low housing demand in mind – although the Act also allows for selective licensing in some other circumstances. Many of the provisions relating to selective licensing are similar to those that apply to the mandatory and discretionary licensing of Houses in Multiple Occupation (HMOs), regimes also introduced by the 2004 Act.

Following the issue of a General Consent in March 2010 by the Secretary of State, local authorities in England did not have to seek approval for the introduction of a selective licensing scheme provided all necessary conditions were complied with. However, in March 2015 the Coalition Government introduced amendments. Since 1 April 2015 local authorities have had to seek confirmation from the Secretary of State for any selective licensing scheme covering more than 20% of their geographical area, or affecting more than 20% of privately rented homes in the local authority area. These requirements do not apply in Wales.

In an area subject to selective licensing, all private landlords must obtain a licence. If they fail to do so, or fail to achieve acceptable management standards, the authority can take enforcement action. The London Borough of Newham introduced a selective licensing scheme covering all private rented properties in the borough in January 2013 – a number of authorities followed suit before changes introduced in April 2015 came into effect. Selective licensing was slow to take-off after 2006 but an increasing number of authorities now operate schemes. This interest appears to be linked to the growth of the private rented sector – it is now the second largest tenure in England.

The Communities and Local Government Select Committee's inquiry into the private rented sector (2012-13) considered the operation of selective licensing and recommended that the Government should bring forward proposals for a reformed approach. Following a consultation exercise in 2014, the Coalition Government issued a response which was critical of borough-wide licensing schemes and expressed a preference for voluntary accreditation. This was quickly followed with a [letter](#) from Brandon Lewis, then Housing Minister, to authorities on 11 March 2015 advising of the change to the General Consent regime from 1 April 2015.

There was a mixed reaction to the announcement. Generation Rent and some authorities criticised the decision in the absence of specific consultation, and some questioned the decision to interfere with councils' autonomy. Landlord bodies welcomed the move. The London Mayor is reportedly seeking a transfer of powers from the Secretary of State to approve selective licensing schemes in the capital.

Detailed information on selective licensing schemes can be found in Library Briefing Paper: [Selective licensing of private landlords \(England & Wales\)](#).

1.5 Low quality private rented housing

The selective licensing provisions summarised in the previous section are aimed at tackling concentrations of low quality private rented housing. Authorities have additional powers to control standards in houses in multiple occupation (HMOs). Large HMOs (3 storeys with 5 or more occupants who do not form a single household) must be licensed – there are also enforcement powers in relation to smaller, non-licensable HMOs.

The Conservative Government published [Extending mandatory licensing of houses in multiple occupation: a government response document](#) in October 2016. This paper responded to a consultation process and noted the “strong support” expressed for the extension of mandatory licensing from all respondents and said that the Government would:

1. remove the reference to storeys from the prescribed description of large HMOs, so that all HMOs occupied by five or more people from more than one household, are included;
2. include flats above and below business premises; and
3. clarify that the minimum room size 6.5m² for sleeping accommodation does apply to all licensable HMOs.¹⁹

The *Housing and Planning Act 2016* gave the Secretary of State power to make regulations to enable local authorities to issue Civil Penalties as an alternative to prosecuting landlords for certain offences – the maximum penalty is £30,000. The Act also enabled the Secretary of State to extend the circumstances in which an authority can apply for a Rent Repayment Order against a landlord. Regulations in respect of these powers came into force in April 2017.

The 2016 Act will enable authorities to apply for an order banning landlords/agents from operating for a period of time if they have committed certain offences. The 2015 Government consulted on what these offences might be – the following were suggested:

- illegally evicting a tenant
- renting out a property decided to be unsafe as a dwelling by local authorities
- failing to carry out works required by local authorities to prevent health and safety risk to tenants
- renting out a property to an illegal migrant
- using violence, or threatening violence against a tenant
- making fraudulent applications for housing benefit, or committing identity theft
- using the property to cultivate cannabis
- theft or criminal damage
- colluding with the tenant to commit a criminal offence, such as tax evasion or the supply of illegal drugs.

It is expected that banning orders will come into force in October 2017.

The 2016 Act also allows for the establishment of a database of rogue landlords and property agents who have been convicted of banning order offences or received 2 or more civil penalties. The database will not be open to the public. The database is also expected to become operational in October 2017.

¹⁹ DCLG, [Extending mandatory licensing of houses in multiple occupation: a government response document](#), October 2016, p20

2. News items

The Planner

The housing white paper: Surgical repair or sticking plaster?

Cristina Howick 10 February 2017

<https://www.theplanner.co.uk/opinion/the-housing-white-paper-surgical-repair-or-sticky-plaster>

Independent

Should Britain build on its green spaces to solve the housing crisis?

It's time for governments to think long-term about the kind of places they want to create

Alister Scott 8 February 2017

<http://www.independent.co.uk/environment/should-britain-build-on-its-green-spaces-to-solve-the-housing-crisis-a7568341.html>

Guardian

Property service charges soar to average £2,777 per year for new-builds

Patrick Collinson 13 March 2016

<https://www.theguardian.com/money/2016/mar/09/service-charges-soar-to-average-2777-per-year-for-new-build-flats>

3. Press releases

Department for Communities and Local Government

£2.3 billion investment in infrastructure for new housing

4 July 2017

The Housing Infrastructure Fund will help to fund vital physical infrastructure projects.

A £2.3 billion fund which could unlock 100,000 new homes in areas of high demand has been launched today (4 July 2017) by the Communities Secretary, Sajid Javid.

Speaking in Birmingham at the LGA Conference today, the Communities Secretary will say that the investment will help to fund vital physical infrastructure projects like the building of roads, bridges, energy networks and other utilities, the absence of which continues to hold housebuilding back.

The new investment through the [Housing Infrastructure Fund](#) (HIF) aims to solve this problem and today opens for bids for local authorities across England to come forward with proposals to help get homes built faster.

Funding will also be available to help build new schools, healthcare centres and digital infrastructure to accommodate growing communities and alleviate pressure on public services.

Once proposals have been approved, it is expected that local authorities would begin building the necessary infrastructure immediately and for the homes to follow quickly afterwards.

HIF is part of the government's wider £23 billion National Productivity Investment Fund, which targets spending on areas critical to boosting productivity, including on housing, transport and digital communications.

Communities Secretary, Sajid Javid, said:

To build the homes this country needs, we need to deliver the right infrastructure in the right place at the right time.

By investing in local infrastructure, we can help unlock building thousands of new homes in the areas where they are needed most.

The Housing Infrastructure Fund will also make sure we have better public services in place for local communities.

Exchequer Secretary to the Treasury, Andrew Jones said:

Where we live plays a huge part in our lives; from the distance of our commute to the local facilities available. By ensuring we have enough housing in areas where it is needed the most, we can boost productivity and support new communities to grow and thrive.

This money is part of our £23 billion National Productivity and Investment Fund, which will ensure Britain is match fit for the future.

LGA Chairman, Lord Porter said:

We're pleased that the government has followed through on its commitment to invest in infrastructure linked to housing and that this to be led by councils, as we outlined on our preliminary Housing Commission findings last year.

Going forward, what's crucial is that the arrangements to access this fund are flexible, especially around different housing tenures, and that all councils can access funds to deliver housing for their communities.

Councils know their communities, and the places in them, best and so it's right that approaches to invest in local infrastructure are led by local authorities.

Home Builders Federation Planning Director Andrew Whitaker said:

Funding necessary infrastructure will give local authorities the opportunity to remove barriers to developments being delivered.

Direct support for critical infrastructure will not only unlock more housing, it should also help to accelerate planned developments.

Local authorities that plan for growth should be supported and that will, in turn, allow house builders to get on and deliver the homes our communities so desperately need.

HIF is an important demonstration of the government's commitment to housing, following on from the [housing white paper](#), which sets out a strategy to fix the nation's dysfunctional housing market.

The fund will support councils to step up their plans for growth, release more land for housing and get attractive, well designed homes that people want to live in built at pace and scale.

Further information

£2.3 billion of capital grant funding will be allocated to local authorities on a competitive basis. The funding will be available from 2017-18 to 2020-21.

DCLG will work closely with other departments in the assessment of local authority bids.

HIF forms part of the new £23 billion National Productivity Investment Fund, as announced at the Autumn Statement 2016

Department for Communities and Local Government

Government announces ambitious plan to build the homes Britain needs

7 February 2017

The government has introduced bold new plans to fix the broken housing market and build more homes across England

- measures to reduce the obstacles to house building and help local authorities, developers and SME builders build the homes Britain needs
- sensible measures to improve affordability and protections for renters and home purchasers
- Sajid Javid sets out “ambitious proposals to help fix the housing market so that more ordinary working people from across the country can have the security of a decent place to live”

The government has today (7 February 2017) introduced bold new plans to fix the broken housing market and build more homes across England.

Communities Secretary Sajid Javid says the current system isn't working and is one of the greatest barriers to progress in Britain today.

Read the [housing white paper 'Fixing our broken housing market'](#)

The reforms in a white paper published today sets out new measures to ensure the housing market works for everyone, including people on lower incomes, renters, disabled and older people by:

Getting the right homes built in the right places

Consulting on the principle of a new, standardised way of calculating housing demand to reflect current and future housing pressures. Every local area will need to produce a realistic plan and review it at least every 5 years.

Currently 40% of local planning authorities do not have an up to date plan that meets the projected growth in households in their area. Fixing this will help make sure enough land is released for new homes to be built in the parts of the country where people want to live and work and ensure developments take heed of local people's wishes, while continuing with maximum protections for the green belt.

Councils and developers will also be expected to use land more efficiently by avoiding building homes at low density and building higher where there is a shortage of land and in locations well served by public transport such as train stations.

Speeding up house building

Giving local authorities the tools to speed up house building as well as powers to make sure developers build homes on time. The government will make it easier for councils to issue completion notices, shortening the timescales to require developers to start building within 2 years, not 3, when planning permission is granted.

We will also require greater transparency and information from developers on their pace of delivery of new housing so councils can consider this when planning their local need. This will help address the serious and growing gap between the number of planning permissions granted and the number of new homes completed.

Diversifying the market

Action to help small independent builders enter the market given including through the £3 billion [Home Building Fund](#). Currently around 60% of new homes are built by just 10 companies.

The fund will help us to build more than 25,000 new homes this Parliament and up to 225,000 in the longer term by providing loans for SME builders, custom builders, offsite construction and essential infrastructure, creating thousands of new jobs in the process.

Read the [housing white paper supporting documents](#)

Sajid Javid is highlighting research that shows it is difficult to get on the housing ladder, with the average house now costing 8 times more than average earnings – an all-time record.

The proportion of people living in the expensive private rented sector has doubled since 2000 and that more than 2.2 million working households with below-average incomes spend a third or more of their disposable income on housing.

This means they have less money to spend on other things every month, including putting aside money for a deposit.

Communities Secretary Sajid Javid said:

Walk down your local high street today and there's one sight you're almost certain to see. Young people, faces pressed against the estate agent's window, trying and failing to find a home they can afford. With prices continuing to sky rocket, if we don't act now, a whole generation could be left behind. We need to do better, and that means tackling the failures at every point in the system.

The housing market in this country is broken and the solution means building many more houses in the places that people want to live.

We are setting out ambitious proposals to help fix the housing market so that more ordinary working people from across the country can have the security of a decent place to live. The only way to halt the decline in affordability and help more people onto the housing ladder is to build more homes. Let's get Britain building.

Housing Minister, Gavin Barwell said:

We are setting out lasting reforms that will get more of the right homes built in the right places, right now.

We owe it to our children and our grandchildren to fix the broken housing market problems and help them find a home of their own.

Further measures in the housing white paper 'Fixing our broken housing market' include:

Homeowners

We have already helped more than 360,000 people buy through government-backed homeownership schemes since 2010; helping people save for a deposit, buy with a smaller deposit, buy at 20% below the market price, buy the home they are renting from a social landlord,

buy a share of a home or save a deposit while paying a below market rent.

Now in April 2017, the government will introduce the Lifetime ISA. This will support younger adults to save flexibly for the long term, giving them a 25% bonus on up to £4,000 of savings a year. Savings and the bonus can be put towards the purchase of a first home, or withdrawn once they reach the age of 60.

Starter homes will be targeted at first time buyers who would otherwise be priced out of the market. We intend to make clear through the National Planning Policy Framework that starter homes like shared ownership homes, should be available to households that need them most, with an income of less than £80,000 (£90,000 for London). The result of these changes means we will change our focus from starter homes to a wider range of affordable housing.

The wider range of government programmes will help over 200,000 people become homeowners by the end of the Parliament.

Affordable Rent and Rent to Buy

The government is committed to building more affordable homes to boost house-building and support households who are locked out of the market.

At Autumn Statement we announced an extra £1.4 billion for our Affordable Homes Programme, taking total investment in this programme to over £7 billion to build around 225,000 affordable homes in this Parliament.

This investment will help families to find a decent home that is right for them. The [2016 to 2021 Affordable Homes Programme](#) was originally designed to focus on delivering shared ownership. Now we have opened up the programme, relaxing restrictions on funding so providers can build a range of homes including for affordable rent.

This includes Rent to Buy homes alongside shared ownership, which will enable thousands of households to access home ownership through a product that fits their circumstances. Rent to Buy will help hard-working households to benefit from a discounted rent set flexibly at levels to make it locally affordable so they can save for a deposit to purchase their home.

Renters

The government will put measures to tackle the high cost of renting at the heart of its plan to fix the broken housing market.

This includes amending planning rules so councils can proactively plan for more long-term Build to Rent homes and a [consultation](#) has been launched to allow developers to offer more affordable rent alongside other forms of affordable housing. Also ensuring more longer-term tenancies are available in private rented schemes to provide more stability to families renting.

We are working closely with the British Property Federation and National Housing Federation to ensure that these longer-tenancies become widely available

Green belt

Ministers have reaffirmed this government's commitment to the green belt – that only in exceptional circumstances may councils alter green belt boundaries after consulting local people and submitting the revised Local Plan for examination, and set out for the first time all the actions local authorities must take before considering the green belt.

The plan for 'Urban Regeneration' includes: strengthening national planning policy to create a 'de facto' presumption in favour of housing on suitable brownfield land and to drive up density levels in high demand areas while ensuring that developments are well-designed and respect the character of the local area.

Also taking action to radically increase brownfield development and to bring life back to abandoned sites. That means high quality housing for families in town centres, breathing new life back into our high streets, turning abandoned shopping centres into new communities and increasing density of housing around transport hubs to build homes that people want to live in.

Empty homes

We will also continue to support local authorities to encourage efficient use of our existing stock, making best use of homes that are long-term empty.

Local authorities have powers and incentives to tackle empty homes. Through the New Homes Bonus they earn the same financial reward for bringing an empty home back into use as building a new one. They also have flexibility to impose a Council Tax premium of up to 50% (on top of the Council Tax bill), on properties that have been empty and substantially unfurnished for more than 2 years.

Great progress has been made in recent years and the number of empty homes stands at its lowest since records began. At May 2010 over 300,000 homes in England had been standing empty for longer than 6 months. As of October 2015 the number of long-term empty properties had fallen to 203,596.

Leasehold

The government will act to promote fairness and transparency for the growing number of leaseholders.

Some buyers are not aware that buying a leasehold house can be more expensive than a freehold house in the long run. Some ground rents can increase significantly over the lease period and be traded with leaseholders left in the dark. We will therefore consult on a range of measures to tackle all unfair and unreasonable abuses of leasehold.

Further support to help households who are currently priced out of the housing market to save for a deposit, and to buy or rent a home of their

own. We will introduce a new Lifetime ISA in 2017, extend the Right to Buy discounts to housing association tenants, and invest in new homes for Shared Ownership, Affordable Rent and Rent to Buy.

Department for Digital, Culture, Media and Sport

New build homes to have superfast broadband connectivity

5 February 2016

The Government has worked with Openreach - BT's local access network business - and the Home Builders Federation (HBF) on an agreement which aims to deliver superfast broadband connectivity to new build properties in the UK.

The new deal will see fibre based broadband offered to all new developments either for free or as part of a co-funded initiative. It is estimated that more than half of all new build properties can be connected to fibre broadband free of charge to developers.

As part of the agreement, Openreach is introducing an online planning tool for homebuilders. This will tell them whether properties in a given development can be connected to fibre for free, or if a contribution is needed from the developer to jointly fund the deployment of the local fibre network.

From today, the housing industry will have access to a 'rate card' from Openreach which details the fixed cost contributions required by homebuilders in those cases where joint funding is required. Openreach will make a significant contribution itself before seeking any funds from developers. HBF will promote and support uptake of the co-funding offer amongst their members, and emphasise the need to plan for connectivity early in the development.

This new offer sets a high bar for all suppliers and developers in the market, and Government will be working with industry closely to monitor success over the next year.

Digital Economy Minister Ed Vaizey said:

The Government's ambition to build 1 million new homes over the course of this Parliament will house families and future generations to come. Broadband connectivity is just one thing that home buyers now expect when buying a new build, so this industry-led push to make superfast, or indeed ultrafast, broadband speeds available by default in new homes represents a very important step in meeting the UK's digital needs.

Clive Selley, CEO Openreach, said:

This is an important step towards bringing fibre broadband to as many new build properties as possible.

We recognise that high speed broadband connectivity is a major factor for homeowners when deciding to buy a house. That's why we're

offering to deliver fibre to all new build developments either for free or as a co-funded model.

With the support of the HBF we've delivered a series of measures to give developers greater clarity, choice and more funding. Today's announcement underlines Openreach's commitment to further extend its fibre network – which reaches more than 24m premises – to benefit even more communities across the country.

Stewart Baseley, executive chairman of the HBF said:

Housebuilders are constantly striving to deliver on and surpass the expectations of customers as we continue to see housing supply grow. Broadband speeds are an increasingly important factor in the home buying process and this offer to developers will see more new build purchasers benefit from the very best connectivity to go alongside the many other advantages of purchasing a brand new home.

Notes to Editors

1. [Link to letters](#) (on gov.uk) and guidance on [New build homes: superfast broadband connectivity options](#)
2. New Site Housing Developments are defined as two or more new premises on the same site including single dwelling units (houses) and multiple dwelling units (flats/apartment blocks).

4. Parliamentary material

Statement

[Housing White Paper](#)

Statement on the Government's **housing White Paper** "Fixing Our Broken Housing Market".

HC Deb 07 February 2017 | Vol 621 cc228-253

Debate

Backbench Business debate: [Leasehold and Commonhold Reform](#)

HL Deb 20 December 2016 | Vol 618 cc1328-1331

PQs

[Housing: Freehold](#)

Asked by: Allan, Lucy

To ask the Secretary of State for Communities and Local Government, what assessment he has made of the adequacy of regulations governing the level of management fees which can be charged to freeholders of new build properties.

Answering member: Alok Sharma | Department: Department for Communities and Local Government

Two codes of management practice, approved by the Secretary of State in June 2016, for the residential leasehold sector already exist. These codes set out the law and best practice, and can be used in evidence in Court or tribunal proceedings.

HC Deb 06 July 2017 | PQ 2797

[Housing: Construction](#)

Asked by: Baroness Golding

To ask Her Majesty's Government whether they intend to appoint an ombudsman to address the standard of newly built homes.

Answering member: Lord Bourne of Aberystwyth | Department: Department for Communities and Local Government

A new home is not just the largest monetary purchase most people ever make, it is also the largest emotional commitment as people look to provide a safe, good quality home for themselves and their families. It is therefore vital that as housing supply increases, the quality of new build homes continues to improve so as to avoid some of the issues highlighted in the All-Party Parliamentary Group (APPG) for Excellence in the Built Environment's report.

I am aware of the report's recommendations, including that for a new homes ombudsman.

HL Deb 25 April 2017 | PQ HL6600

[Housing. Construction](#)

Asked by: Baroness Golding

To ask Her Majesty's Government what steps they are taking to protect purchasers of newly built homes from defects resulting from faulty building by developers.

Answering member: Lord Bourne of Aberystwyth | Department: Department for Communities and Local Government

A new home is not just the largest monetary purchase most people ever make, it is also one of the largest emotional commitments as people look to provide a safe, good quality home for them and their families. It is therefore vital that as housing supply increases, the quality of new build homes continues to improve, and I am aware of last year's report by the All Party Parliamentary Group for Excellence in the Built Environment, *More Homes, Fewer Complaints*, which looked at these issues. Building inspectors check to ensure that building regulations' requirements are met on new homes, but it is the house builders' responsibility to ensure new homes are built to the right standards.

Where something goes wrong, house builders and warranty providers should fulfill their obligations to put this right. The Consumer Code for Homebuilders is an industry-led scheme which gives protection and rights to purchasers of new homes, ensuring that new homebuyers are treated fairly and are fully informed about their purchase. A new Code was introduced on 1 April.

HL Deb 25 April 2017 | HL6599

[Broadband](#)

Asked by: Dromey, Jack

To ask the Secretary of State for Culture, Media and Sport, how the Government plans to use regulatory powers to ensure that an adequate broadband service is provided.

Answering member: Matt Hancock | Department: Department for Culture, Media and Sport

The Government is creating a regulatory environment that supports the market in delivering world-class broadband services and has taken a number of steps to support this aim. As part of the Digital Economy Bill, we are introducing a broadband Universal Service Obligation to be implemented by 2020. This will give everyone the legal right to broadband at a minimum speed of 10 Mbps.

We are reforming the Electronic Communications Code to cut costs and simplify the process of building mobile and broadband infrastructure on

private land. We are making permanent the relaxations in the rules for deploying fixed broadband infrastructure in all areas except Sites of Special Scientific Interest that we introduced in 2013. This will also cut deployment costs for communications providers and speed up broadband roll-out. Similar planning relaxations are being made in relation to the deployment of mobile infrastructure.

As of 31 July this year, the Communications (Access to Infrastructure) Regulations 2016 gave rights to Communications Providers to share passive infrastructure across utility, transport and communications sectors which is designed to reduce the cost of broadband deployment.

In addition, building regulations have also been amended to introduce a requirement from January 2017 for all new buildings, and major renovations, to include in-building physical infrastructure to support superfast broadband connectivity. The Government has also put in place industry agreements with developers for fibre connections to be made available to all new build housing.

The Government continues to review the regulatory landscape to identify further opportunities for reform.

HC Deb 12 October 2016 | PQ 47345

[Housing: Construction](#)

Asked by: Pugh, John

To ask the Secretary of State for Communities and Local Government, what information his Department holds on the proportion of new build properties excluding flats that has been sold as leasehold in each of the last here years.

Answering member: Gavin Barwell | Department: Department for Communities and Local Government

The department does not hold this information. The department published an estimate of the number of leasehold dwellings in 2014. As Table 1 (see link below) shows, in 2012-13 there were approximately 1.3 million leasehold properties that were not flats. The remaining 2.8 million leasehold dwellings were flats.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/342628/Residential_Leasehold_dwellings_in_England.pdf

HC Deb 4 October 2016 | PQ 46921

5. Useful links and further reading

Consumer Code for Homebuilders, last updated April 2017

<http://www.nhbc.co.uk/NewsandComment/Consumercodeforhomebuilders/>

All-Party Group for Excellence in the Built Environment, *More Homes, Fewer Complaints* July 2016

http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwiCyZvqjf_UAhXCZ1AKHfnoAp0QFggmMAA&url=http%3A%2F%2Fcic.org.uk%2Fdownload.php%3F%3Dmore-homes.-fewer-complaints.pdf&usg=AFQjCNHXiAfjwjeleFa_GcRUvaoHRrmNvA

DCLG Housing White Paper, *Fixing our Broken Housing Market*, February 2017

<https://www.gov.uk/government/collections/housing-white-paper>

DCLG, *Selective licensing in the private rented sector: a guide for local authorities* March 2015

<https://www.gov.uk/government/publications/selective-licensing-in-the-private-rented-sector-a-guide-for-local-authorities>

Shelter, *Selective licensing for local authorities: A good practice guide* 2006

http://england.shelter.org.uk/_data/assets/pdf_file/0008/57779/Selective_licensing_for_local_authorities.pdf

Department for Transport, *Building Sustainable Transport into New Developments: A Menu of Options for Growth Points and Eco-towns* 2008

<https://laqm.defra.gov.uk/documents/sustainabletransnew.pdf>

Royal Town Planning Institute, *Transport Infrastructure Investment: Capturing the Wider Benefits of Investment in Transport Infrastructure* 2014

http://www.rtpi.org.uk/media/816110/capturing_the_wider_benefits.pdf

Future Communities, *Amenities and social infrastructure*

<http://www.futurecommunities.net/socialdesign/amenities-and-social-infrastructure>

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