

CEO Forum

Held by The Housing Forum and NHBC on 22 February 2017

“Fixing our broken housing market - Housing White Paper 2017”



Key words: place making, quality, development management, planning, build to rent, mixed tenure solutions.

The conclusions of the Forum are:

- 🏠 The White Paper strongly encourages mixed tenure solutions to support delivery through a very broad range of measures
- 🏠 Rent settlements will be important to unlock development capacity in the housing association sector
- 🏠 The house building process needs early, integrated planning with all stakeholders co-operating from the outset
- 🏠 The planning reforms should assist in ensuring local authority plan making is more consistent, efficient and focussed on delivering improved supply
- 🏠 The White Paper acknowledges the importance of design quality
- 🏠 The stimulus for build to rent is welcomed; this has to now be supported by planning
- 🏠 The disconnect between design and construction is limiting the growth of off-site manufacture solutions
- 🏠 Lifting supply and achieving quality outcomes requires quality design and development management and there is a danger that this is an increasingly scarce resource, particularly on the commissioning side.
- 🏠 Not enough housing is meeting the needs of younger and older households.

Held with representatives from DCLG, this Forum focused on the industry's views on the Housing White Paper. **Stephen Teagle**, opened the discussion, welcoming the clear commitment from Government to increase supply. Businesses in the housing industry anticipate a doubling of output in some areas over the next 5 years and investment partners have funds available. Stephen is chair of The Housing Forum's Working Group on new supply "*Future proofing housing supply*" (February 2017) which proposes 10 measures necessary to deliver a major, long term solution to the structural deficit in the delivery of more homes and draws out different approaches to supply. Recommendations for planning reform, greater expectations and flexibilities for local authorities and incentivisation for new entrants to the housing market are among the proposals. Central to this is the recommendation that Government and the housing industry work together to agree a minimum ten year large scale capital investment plan for housing.



Lise-Anne Boissiere then covered the context and recommendations set out in the White Paper "*Fixing our broken housing market*". By 2020 only a quarter of 30 year olds are expected to own their own homes and the cost and condition of some rented homes is having an impact on life chances, social mobility and the overall economy. The steps set out in the White Paper are to plan for the right homes in the right places which will be a combination of how plans are made and how land is identified with expectations to increase density where possible. A new standardised methodology of housing need assessment is to be developed. Design is important as is transparency in land interests and ownership.

Action is to be taken on delays in delivery, designing housing growth to tie in with local and national infrastructure delivery. Reform of developer contributions will include measures to incentivise delivery and to tackle underperformance through the Delivery Test. Custom build, build for rent, council and housing association home building will all be encouraged.

There is emphasis also on current issues, including more flexibility for home ownership products, a fairer deal for leaseholders, renters, supported housing and the most vulnerable. **Chris Tinker's** perspective was that the market and delivery can work well where there is a 5 year land supply and consistency which should come from standardising housing need assessments. The Housing Delivery test should also lead to transparency. The White Paper covers all the interrelated facets of planning, delivery and supply chain issues, but more could

be added on the role of infrastructure and its timely delivery. A significant factor preventing the speed of housing delivery is the co-ordination of infrastructure. Accelerated Construction can only achieve a limited amount as it is driven off public sector land and the supply, size and pipeline of public sector land is not an adequate stimulus for an increase in numbers built. The complexity of the housing supply chain is also a factor, action is needed on many interdependent fronts in order to move forward.

A local authority perspective was given by **Alan Benson**. The White Paper signals flexibility in star home provision and a wider definition of low cost home ownership which is welcome. However, the White Paper could have gone further to resolve some of the issues affecting local council's ability to add to supply. In particular, changes to the 3 year rule on use of right to buy receipts and the winding back on the HRA settlement which gave councils certainty over their asset base for loan repayment could stimulate more delivery by local councils.

The build to rent model has a contribution to make to place making as **Simon Chatfield** explained due to the providers' long term role in stewardship. This sector is maturing as prospective tenants are now beginning to understand the product which is designed to work well for sharers and be let at levels that are attainable. A critical factor is access to land which is often sought in competition with housebuilders; the build to rent sector needs certainty around potential planning requirements when bidding for land. There is a significant level of interest in the sector from investors but a pipeline of developments is required to facilitate investment at scale. The White Paper refers to a review of space standards and density which would be very progressive for this sector. In reality, tenants are concerned about the "here and now" rather than the long term.

Hosts

- 🏠 Stephen Teagle, Chief Executive, Partnerships and Regeneration, Galliford Try and Deputy Chairman, The Housing Forum (Today's Chair)
- 🏠 Andy von Bradsky, Chairman, The Housing Forum (Co-host)
- 🏠 Shelagh Grant, Chief Executive, The Housing Forum (Co-host)

GUESTS

- 🏠 Andy Bugler, Chief Executive of Bugler Group
- 🏠 Stephanie Pollitt, Assistant Director, British Property Federation
- 🏠 Austen Reid, Group Director of Integration, Clarion
- 🏠 Chris Tinker, Chairman Regeneration Division, Crest Nicholson
- 🏠 Lise-Anne Boissiere, Deputy Director | Housing Strategy, DCLG
- 🏠 Simon Lea, Associate Director Levitt Bernstein
- 🏠 Jennie Coombs, Director of Regeneration, LB Barking and Dagenham
- 🏠 Alan Benson, Head of Housing Strategy & Commissioning, London Borough of Haringey
- 🏠 Karen Renshaw, Government and Policy Adviser, NHBC
- 🏠 Andrew Osborne, Chairman, Osborne Homes
- 🏠 Mark Mitchener, Managing Director, Rydon Construction
- 🏠 Nick Rogers, Director of Design, Taylor Wimpey
- 🏠 Bob Heapy, Chief Executive, Town & Country Housing Group
- 🏠 Kate Ives, Development Director, Wates Residential South
- 🏠 Simon Chatfield, Senior Director, Be:here Ltd