

House of Commons: Written Statement (HCWS509)

Department for Communities and Local Government

Written Statement made by: **Secretary of State for Communities and Local Government (Mr Eric Pickles)** on 26 Mar 2015.

Housing and Planning Delivery

As this Parliament draws to an end, I would like to update hon. Members on the actions that my Department has put in place since May 2010 on housing and planning, as part of our long-term economic plan. We inherited a broken housing market that has been devastated by the Great Recession, but we have turned the economy and housing market around.

Key achievements

I am pleased to report the following key housing achievements:

- There are now 700,000 more new homes in England than at the end of 2009;
- Planning permission was granted for 253,000 new homes in England in 2014 (source: DCLG analysis of Glenigan data);
- The volume of all new housing construction orders has more than doubled since the first quarter of 2009 (source: Office for National Statistics);
- Housing starts in England in 2014 are at their highest annual level since 2007; • Over 217,000 new affordable homes have been delivered from April 2010 to September 2014
- Our affordable housing programme aimed to deliver 170,000 homes from 2011 to 2015; by 20 March, we estimate that 173,800 homes have been delivered, with more expected (source: internal management information, official statistics will follow in June);
- Over 204,000 households have bought or reserved a new home through government-backed schemes in the last 5 years;
- Lending to first-time buyers in 2014 is its highest annual levels, in volume and value, since 2007. Some 311,500 home loans collectively worth £45 billion were handed out to first-time buyers in 2014;
- The number of mortgage repossessions fell to 4,200 in Q4 2014, the lowest since the quarterly series began in 2008 according to the Council of Mortgage Lenders; latest figures from the Bank of England show the number of cases of new mortgage arrears is at the lowest since the data series began in 2007;
- The Government has released enough surplus public sector land to build over 100,000 new homes;
- Council house building starts are now at a 23 year high and twice as many council homes have been built in the last 4 years than from 1997 to 2009;
- There has been a fall in the numbers of empty homes by 160,000 since the end of 2009, meaning the number of empty homes in England is now at a 10-year low; and
- Our action to tackle Labour's deficit has kept mortgage rates at record lows, cutting the cost of owning a home.

Delivering a locally-led planning system

This Government has reformed planning so it can deliver the homes and infrastructure people want and need, by working with, not against, local communities. Our planning reforms and the locally-led planning process are delivering real results and speeding up the system. We have abolished Labour's tiers of regional planning and unelected regional government.

The Localism Act strengthened the role of Local Plans. Our reforms have given local planning authorities more choice in how they develop their Local Plans and good progress continues to be made in bringing plans forward. 81 per cent of councils have published a Local Plan. To place this in context, six years after the Labour Government's 2004 Planning Act, by May 2010, only one in six local planning authorities had an adopted Core Strategy, reflecting how the tortuous regional planning process slowed down development and stymied local plan-making and local decision-making. We are working with the remaining local councils to help them deliver up to date plans. The number of planning appeals received and allowed has fallen, meaning more local decision-making.

Neighbourhood planning gives real power to local people allowing them to play a much stronger role in shaping their areas. Neighbourhood planning is proving very popular and over 1,400 communities, representing around 6 million people, have now applied for a neighbourhood area to be designated and 65 successful neighbourhood referendums have been held (with an average turn-out of 33 per cent and an average 'yes' vote of 88 per cent). 42 neighbourhood plans are now fully in force, forming part of the statutory development plan, and giving communities real power to shape planning decisions.

Protecting the Green Belt and open spaces

As pledged in the Coalition Agreement, we have safeguarded national Green Belt protection and increased protection of important green spaces. We have:

- Abolished the Labour Government's top-down Regional Strategies which sought to delete the Green Belt in and around 30 towns and cities;
- Introduced a new Local Green Space planning designation, which allows councils and neighbourhood plans to give added protection to valuable local green spaces;
- Published the National Planning Policy Framework which re-affirms Green Belt protection;
- Given councils stronger powers to tackle 'garden grabbing', and stopped gardens being classified as brownfield land;
- Issued new waste planning policy which strengthens protection of the Green Belt;
- Taken a series of steps on reforming traveller policy and guidance to protect the Green Belt and tackle unauthorised development; and
- Published planning guidance which re-affirms the importance of the Green Belt during Local Plan preparation.

Streamlining the planning system and removing unnecessary burdens

The National Planning Policy Framework reduced over a thousand pages of national policy to around fifty, written simply and clearly. The planning guidance review streamlined planning guidance and reduced it from over 7,000 pages to a simple accessible online resource. Since this was launched, there have been over 7 million page views, illustrating how we have made the planning system more accessible to local residents, local firms and local councillors.

We have reformed the Community Infrastructure Levy to make it fairer, more flexible and transparent. Amendments to the levy coming into effect next month will help boost affordable housing delivery by extending mandatory relief from the levy to cover such housing provided by a

wider range of organisations, including charitable bodies.

We have reduced unfair, disproportionate costs on small sites by introducing a 10 unit threshold below which affordable housing and tariff-style section 106 contributions should not be sought. A lower threshold of 5 units applies in designated rural areas. This will help cause a surge in house building by small builders. We have also reduced Section 106 burdens on empty and redundant buildings being brought back into use.

The Growth and Infrastructure Act 2013 introduced legislation to designate under-performing local planning authorities. This power has intentionally been rarely used: three councils have been designated in this way, and two of those designations have been lifted following improvements in their service. The policy has helped to significantly improve performance, with latest figures showing that 77 per cent of applications for major development are being processed on time. Alongside this, we have published new data on local planning authorities' performance in meeting their statutory duty to process smaller planning applications within 8 weeks.

We have introduced a legal requirement that local planning authority requests for additional information to support planning applications must be reasonable and removed the need to submit a design and access statement with most applications. We have also introduced changes to front-load the appeals process which have reduced the time taken to process appeals from around 23 weeks to 15. Changes to the Civil Procedure Rules have reduced the time period for submission of judicial review applications against planning decisions to six weeks. A new Planning Court is speeding up the handling of such cases.

We abolished Labour's unelected Infrastructure Planning Commission quango and returned decision making for the biggest developments back to accountable Ministers. At the same time, we expanded the scope of the nationally significant infrastructure regime to allow the developers of certain business and commercial projects to take advantage of a fixed timetable and obtain many of the necessary non-planning consents at the same time. We reviewed the regime in 2014 which confirmed it is working well, but have built on this by further streamlining the process whilst still ensuring that local people continue to have their say.

We continue to augment these successful planning reforms with practical ways of removing excessive red tape, whilst ensuring environmental safeguards and continuing our locally-led approach.

As part of our commitment to slashing red tape in the application process, a newly consolidated Development Management Procedure Order will come into force on 15 April. This will simplify and streamline the planning application process for local planning authorities, applicants, and other users of the planning system. It will also bring into force a number of important changes, including streamlining the process of statutory consultation and introduces a new 'deemed discharge' of conditions to ensure that planning conditions are cleared on time so that homes granted planning permission can start on site without delay.

As well as changes in the Development Management Procedure Order, we have also introduced further measures to reduce and simplify the requirements to notify English Heritage and refer certain heritage applications to the Secretary of State. These will allow English Heritage's resources and expertise to be focused where they can add most value, while still maintaining an effective level of protection for the historic environment.

New permitted development rights are encouraging better use of buildings and supporting town centres, the rural economy and providing much-needed homes. These include:

- providing new homes in offices, shops and agricultural buildings;
- supporting the establishment of state-funded schools and registered nurseries in a range of premises;

- promoting a diverse and vibrant high street with a two year temporary use and freeing up the change of shops to banks; and
- creating the opportunity for people to improve their homes, businesses and lives with larger extensions to homes, offices and shops.

To further deregulate the planning system, we are introducing from 15 April additional permitted development measures to provide greater planning freedom, support housing, the high streets and growth to:

- allow buildings used for storage and distribution to change to homes,
- support easier change of use between high street uses (excluding betting shops), and
- provide greater flexibilities to support location filming, and to support retailers in the provision of click and collect services.

In addition, we will meet our Red Tape Challenge commitment by consolidating the General Permitted Development Order and its revisions into a single new Order from 15 April.

We have made provision to remove the need to apply for planning permission for short-term letting of residential properties in London, through the Deregulation Bill. We have changed planning policy to actively encourage the provision of more parking spaces, to help local shops suffering from aggressive parking enforcement, and removed planning restrictions which discouraged the sharing of under-used parking spaces.

We made further commitments in the Autumn Statement 2014 to speed up the end-to-end planning process and support smaller house builders. We:

- will take forward measures to ensure that the principle of development need only be established once;
- are speeding up section 106 negotiations through: consulting on introducing tighter timescales for agreements and a new dispute resolution process; and revising guidance including seeking improved transparency on the use of section 106 funds;
- are keeping the speed of decisions on major applications under review, with the minimum performance threshold increasing to 50 per cent of major decisions on time; and
- will work with industry and local planning authorities to test whether more can be done to support the approval of small sites in the planning system.

Furthermore, following the Budget 2015, we have published a consultation document on technical improvements to the compulsory purchase system to make it clearer, faster and fairer, together with updated guidance for comment.

We have also continued to ensure environmental safeguards. We have:

- Changed planning guidance to make it clear that the need for renewable energy does not automatically override environmental protections and the views of local communities should be listened to;
- Reformed the domestic implementation of the European environmental impact assessment regime, removing unnecessary gold-plating, reducing costs and providing more certainty for all interested parties. These changes do not affect the strong environmental protections set out in the National Planning Policy Framework;
- Strengthened existing planning policy by making it clear that from 6 April sustainable drainage systems should be provided in major new developments wherever this is appropriate.

Consolidating the complex web of housing standards

As outlined in my Written Ministerial Statement yesterday, we have completed a major review of the plethora of technical standards currently applied to new housing by local planning authorities. We have removed duplication and contradiction and rationalised technical standards into a simpler, clearer set. Standards will continue to promote essential quality, sustainability and accessibility outcomes and span water efficiency, access, energy, security and space, and a new nationally described space standard. This new system will save around £100 million per annum for both developers and councils, freeing up resources to promote growth.

Building more affordable housing

As outlined above, we have beaten our affordable housing targets for this Parliament, bringing in £19.5 billion of public and private investment in affordable housing from 2011 to 2015. A further £38 billion public and private investment will help ensure 275,000 new affordable homes delivered between 2015 and 2020. This means over the next Parliament we will build more new affordable homes than during any equivalent period in the last twenty years.

But we have also given housing associations the tools they need to borrow and build more homes including the launch of our new £400 million Rent to Buy scheme (known as the London Housing Bank in Greater London) which will deliver affordable homes through a recoverable fund. In addition, we have also introduced the up to £3.5 billion Affordable Housing Guarantee Scheme which utilises the Government's hard won fiscal credibility to deliver more affordable housing by making debt cheaper for affordable housing providers. In March 2015, a £194 million bond issuance achieved an all-in price of 2.92%, becoming the first bond in the sector to break the 3% barrier, and set a new record for the cheapest ever housing association bond and the cheapest debt of any kind for 27 years in the sector. To date, 35 registered providers have taken advantage of the cheap funding available which will enable them to deliver over 11,000 new additional affordable homes.

Following the Autumn Statement 2014, we published a consultation on a range of possible proposals to streamline the process for selling on shared ownership properties. The consultation closed on 28 February. The Government announced in the Budget, that following the consultation, the Homes and Communities Agency will amend guidance and model leases to help streamline the sales process for shared ownership properties which have staircased to outright ownership. Shared ownership is an integral part of the Affordable Homes Programme. Since 2010, around 30,000 new shared ownership homes have been delivered. The Government will also undertake a wider review of shared ownership in the summer.

The Right to Buy Scheme (including preserved Right to Buy), allowing eligible social tenants to buy their homes at a discount, has achieved over 40,000 council and housing association sales since April 2010. Over 33,000 of these sales have been achieved since the discounts were increased in April 2012.

We have made it easier than ever for people who can afford it to navigate through the process of buying their own home thanks to the new Right to Buy Agent Service. The Service has responded to queries from over 33,000 tenants since its launch on 5 August 2014.

The reinvigorated Right to Buy ensures, for the first time, that the receipts from additional council sales, that is those over what was forecast prior to the change, are reinvested in helping to fund new affordable homes for rent nationally. A total of over £1.7 billion has been generated in Right to Buy receipts since April 2012. Of this about £730 million has been received by councils to be re-invested in house building – which in turn is expected to lever in a further £1.7 billion in investments in new stock over the next two years.

Building a new generation of council housing

In 2012, the Coalition Government reformed the council house finance system, introducing self-financing for those local authorities that still own and manage their own housing. This system of

self-financing has given local authorities greater freedoms and flexibilities to manage their housing and many are now starting to use those freedoms to build new council housing.

To further increase the supply of housing locally, we have allocated over £222 million of additional Housing Revenue Account borrowing to help 36 local authorities that need additional borrowing and will help to deliver over 3,000 new affordable homes quickly.

Over 90,000 social housing tenants across England are benefiting from the government's Tenant Empowerment Programme which supports social housing tenants to engage in, manage or control local services by working together. We have allocated £1 million for 2015-16 to continue to help to create strong communities and to support social tenants to take control of their housing services.

The Government is working with Keith House and Natalie Elphicke to implement a Housing Finance Institute, as recommended by their review of the role of local authorities in housing supply in conjunction with the Local Government Association and businesses.

From April 2015, councils will be required to publish the most recent valuation of their social housing stock, annually to ensure it is being put to best use. The information will be published by postcode, indicating how much their stock is worth, how much is occupied and how much is standing empty.

The move will give people the information they need to ask questions of how their council is managing stock, and how selling more expensive vacant properties could provide the funds for councils to build more homes and reduce waiting times.

Championing home ownership

The Help to Buy programmes have been actively supporting home ownership and new house building across all parts of the country, especially outside London.

Since the start of Help to Buy in March 2012, over 88,000 people across the UK (over 81,000 in England) have purchased a home through the three schemes (Equity Loan, Mortgage Guarantee and NewBuy), allowing people to buy with a 5 per cent deposit.

The Help to Buy: Equity Loan scheme is designed to support 74,000 families over first three years. The scheme was, in Budget 2014, extended to 2020 to help a further 120,000 families buy a new home (194,000 in total) and provides more certainty to housing developers to invest in building more homes. The scheme is targeted on new build only and directly increases housing supply.

- These show that there were 42,753 completed Equity Loan sales across England to January 2015. In total, over 54,000 families have reserved a new-build home since the scheme began.
- The Help to Buy: NewBuy scheme, launched in March 2012, has also supported a further 5,588 households to purchase new build homes to 31 December 2014.
- Since October 2013, the Help to Buy: Mortgage Guarantee scheme has provided up to £12 billion of Government guarantees to support people to buy with a 5 per cent deposit. 40,079 (32,989 in England) families have been supported by the scheme so far.

At Budget 2015, we announced the Help to Buy: ISA which provides a 25 per cent bonus on a final savings balance to contribute towards a first home, including the purchase of a Help to Buy home, with the Government contributing 25 per cent of the amount saved (paying up to a maximum of £3,000 on savings of £12,000). We intend the scheme to be launched to first time buyers in autumn following government consultation with industry experts.

We abolished Labour's expensive and untrusted Home Information Packs, cutting the cost of moving home.

We have reformed stamp duty to cut the costs of purchasing all but the most expensive homes. By getting rid of the old system with one more like income tax, we have cut stamp duty for 98 per cent of those who would have paid it. If you buy an average priced home of £275,000, you now pay £4,500 less in tax.

But the challenges facing young first time buyers remain significant and we want to do even more. This Government is determined to help young, hardworking people fulfil their aspirations of owning their own home. Too many have found themselves frozen out of the housing market and denied the opportunities their parents had to get started in their own homes.

Earlier this month, we announced an important new national Starter Homes exception site planning policy to make it easier for developers to gain planning permission for a new generation of Starter Homes on under-used commercial and industrial land not currently identified for housing. These Starter Homes will be offered exclusively to young first time buyers at a 20 per cent discount below their open market value, with the requirement to pay section 106 affordable housing and tariff-style contributions removed to help finance this discount. We will also seek to exempt Starter Homes from the Community Infrastructure Levy in the next Parliament.

We recognise that new homes should be of high quality and good design, and discounted Starter Homes should be no exception to this. This week we are publishing an initial set of Starter Homes exemplars - the outcome of early work by this Government's Design Advisory Panel - to demonstrate high quality design and to encourage debate, and to be a first step in developing an agreed approach to deliver new, attractive Starter Homes that can meet the demands of modern life and stand the test of time. The Prime Minister has announced Conservative Party proposals to extend the Starter Homes programme further to 200,000 new homes.

Creating a better and bigger private rented sector

The Government is delivering on its commitment to kick-start a new market for institutional investment in the private rented sector. The Government's Private Rented Sector Taskforce has been instrumental in building the market and has helped to generate aspirations to invest over £10 billion of domestic and foreign investment in the UK private rented sector.

Harnessing this momentum, the £1 billion Build to Rent Fund is providing development phase finance to large-scale private rented sector developments. The Fund is supporting new high-quality developments purpose built for private rent and is on track to create up to 10,000 new homes. There has been immense appetite for the Fund and we are making steady progress with 14 deals in contract worth £230 million and delivering over 3,000 homes for private rent. We estimate that the Fund will this year be committed in full.

In order to encourage and support long-term investment in new private rented sector developments, like those created via the Build to Rent Fund, the Government is implementing a Private Rented Sector Housing Debt Guarantee Scheme. The Government has now awarded the licence for the Private Rented Sector Housing Guarantee Scheme to PRS Operations Ltd, a subsidiary of Venn Partners LLP. The guarantee uses the UK Government's hard-earned fiscal credibility to facilitate a stream of investment in new build private rented sector homes across the UK. The guarantee will be available for up to £3.5 billion of debt (plus a potential share of an additional £3 billion held in reserve). We expect the scheme to approve its first borrowers in Spring 2015.

The Coalition Government has not jeopardised investment in the sector by increasing red tape and unnecessary regulation. Instead we want to drive up standards in the sector and improve the level of professionalism amongst landlords. We have:

- Published "How to Rent", an accessible guide with clear advice for tenants on their rights and responsibilities with advice on what to do if something goes wrong;
- Issued a Model Tenancy Agreement which sets out a fair balance between the rights and

responsibilities of the tenant and landlord and which can be used for longer tenancy arrangements, helping to reduce voids and letting agency fees;

- Rejected calls for statist rent controls, which would destroy investment in new and existing rented properties, reduce supply and ultimately force up rents;
- Introduced a new code of practice in September 2014 to improve the sector's professionalism, so all landlords and agents understand what they should deliver;
- Required all letting agents and property managers to belong to one of the three government-approved redress scheme. This will offer a clear and simple route for landlords and tenants to pursue complaints about their agent and where complaints are upheld they could receive compensation;
- Ensured full transparency on letting agents' fees. Transparency will encourage competition on fee levels and enable choice on service provided not just cost. We have considered but ruled out a ban on fees, as this will simply increase rents for tenants;
- Reformed selective licencing schemes, giving councils more discretion to target action against by rogue landlords. At the same time, the new measures put tighter checks and balances on the introduction of blanket licensing, which increases costs on responsible landlords and drives up tenants' rents;
- Protected tenants against retaliatory eviction where they have a legitimate complaint and made the eviction process more straightforward in appropriate circumstances; and
- Requiring landlords to install smoke alarms on every floor of their property, and test them at the start of every tenancy. Landlords would also need to install carbon monoxide alarms in high risk rooms – such as those where a solid fuel heating system is installed.

We believe the action we have taken strikes the right balance to ensure high standards, whilst avoiding excessive red tape which would reduce supply and force up rents.

Tackling homelessness and rough sleeping

My Hon Friend, the Member for Keighley and Ilkley, is today publishing a Written Ministerial Statement in parallel outlining this Government's action to tackle homelessness and rough sleeping.

Providing infrastructure and development finance

The Growing Places Fund is providing £730 million to deliver the infrastructure needed to unlock stalled schemes that will promote economic growth, create jobs, build homes and support businesses in England. Local Enterprise Partnerships have used this funding to leverage £2.8 billion of extra investment including £1.8 billion from private sector organisations. The Growing Places Fund is supporting 323 projects across the country and 194 projects of these projects are underway – with Local Enterprise Partnerships expecting these projects to create or support 2,500 businesses, over 150,000 jobs and deliver 69,500 housing units.

In July 2014 we announced Growth Deals with 39 Local Enterprise Partnerships which included over £6 billion of capital funding from the £12 billion Local Growth Fund for infrastructure/growth projects. In January this year, we confirmed an additional £1 billion from the Local Growth Fund for further Growth Deals with Local Enterprise Partnerships. Local Enterprise Partnerships came forward with investment plans that combined better transport with more homes, recognising the importance of housing to their local economy. Over the lifetime of growth deals (six years from 2015 to 2021), the investment will unlock the land or finance that will support the delivery of more than 150,000 homes, just from the projects that will start in 2015-16.

We have taken a series of steps to get stalled sites building, steadily reducing the number of

permissions were “on hold/shelved” across England from 90,331 in September 2011 to 34,000 by March 2015. This is at a time when the number of planning permissions has soared.

The Growth and Infrastructure Act 2013 introduced legislation unblocking stalled sites for development and reconsideration of unrealistic Section 106 agreements: such unviable requirements mean no housing, no regeneration and no community benefits. Alongside this, the £3million Site Delivery Fund and the reform of planning rules are helping to tackle planning-related barriers that inhibit permitted schemes from starting on site.

We are investing £1.5 billion between 2013 and 2020 through our Large Sites Programme to unlock or accelerate development on large housing sites that are struggling to move forward. It is expected that 100,000 homes will have been unlocked by the end of March 2015 through long term loans for infrastructure, capacity funding and brokerage.

A further 200,000 homes could be unlocked or accelerated on the sites we have shortlisted for investment alongside the wider planning and technical support, capacity funding and brokerage on offer. In addition, the £50 million Local Growth Fund (Housing Infrastructure) (2015-16) is designed to help speed up and restart housing developments between 250 and 1,499 units supported by Local Enterprise Partnerships. Over 12,000 homes have been started on smaller sites through our £500 million Get Britain Building programme.

We are also providing £525 million through the Builders Finance Fund (over the period 2015-16 to 2016-17) to provide development finance to unlock stalled small housing sites. A shortlist of 165 small housing schemes was announced on 8 September with the first contract now in place and housing starts well underway with many more to come over the next few months. The Builders Finance Fund has been opened up to support schemes as small as 5 units in size by small and medium-sized enterprises and very small building firms.

At Budget 2015 we designated twenty Housing Zones outside London to kickstart development on brownfield sites and are continuing to work with other 8 shortlisted areas. In total these have the potential to deliver up to 45,000 new homes. Combined with Housing Zones in London, this could support the delivery of up to 95,000 homes.

We are creating an Urban Development Corporation for the Ebbsfleet area to accelerate the construction of a locally-led garden-city style development which will unlock up to 15,000 homes. Following Royal Assent to the Deregulation Bill today, we will lay statutory instruments creating the corporation and conferring planning powers on it. The corporation would be operational in April 2015 and have planning powers in July 2015.

Last week, we announced the five independent Board members who will serve on the board of the corporation, under the chairmanship of Michael Cassidy CBE, and I can now announce that Robin Cooper, currently Deputy Chief Executive of Medway Council, is to be appointed as Chief Executive and ex officio board member. I can also announce that Cllr Paul Carter CBE (Leader of Kent County Council), Cllr Jeremy Kite MBE (Leader of Dartford Borough Council) and, subject to ratification, Cllr John Burden (Leader of Gravesham Borough Council) will be appointed to serve on the corporation’s board.

We will shortly consult on a specification to deliver a masterplan at Ebbsfleet and have asked the corporation to work with the government by the Spending Review on a prioritised list of infrastructure needs for Ebbsfleet.

A new Estate Regeneration Fund of £150 million of recoverable investment announced at Budget 2014 will help kick-start and accelerate the regeneration of some of our most deprived estates. Following the bidding round, Grahame Park, Blackwall Reach, Aylesbury Estate and New Union Wharf regeneration projects have all now been approved for funding, subject to due diligence and contract negotiations.

We continue to work with the Greater London Authority, London Borough of Barking and

Dagenham and developers to unlock Barking Riverside, to support the construction of up to 11,000 homes. Transport for London will shortly launch the next public consultation on the proposed route of the railway extension. We are also working with the Greater London Authority to support the regeneration of Brent Cross, which could deliver 7,500 homes. We are also devolving responsibility for delivery of Housing Zones and the London Housing Bank to the Greater London Authority, giving them a leading role in unlocking housing supply and delivering more affordable housing. The legal agreement to support these programmes will be signed this week.

We announced in November the intention to devolve responsibility for a Housing Investment Fund to the Greater Manchester Combined Authority, as part of the agreement for an Elected Mayor. The intention is that the legal agreement to support this Housing Investment Fund will be signed this week.

The Government intends that the public sector will masterplan and lead development of 8,500 homes on the Northstowe site near Cambridge. The Government expects that three quarters of the homes started on the public-sector owned site by 2020 will be built under direct contract with builders, with the rest in that period delivered through serviced plots in line with the public sector's masterplan.

We support Bicester's ambitions to become a garden town, and will make capacity funding available to support its proposals. We will also work with Bicester on helping to meet its infrastructure needs, including through the potential for recoverable government investment, subject to a business case. The government will also provide capacity funding to Basingstoke and North Northants to support their proposals for development on garden town principles.

Promoting self-build and custom-build

We are actively supporting the self-build and custom-build sectors, helping people design and build their own home, and we have exempted self-build from the Community Infrastructure Levy. The £30 million investment fund for Custom Build Homes has so far £6 million of projects in contract.

We have exempted self-builders from Community Infrastructure Levy and Section 106 tariff charges.

We consulted in autumn 2014 on a new "Right to Build" to give self and custom builders a right to a plot of land from local authorities and have been working with 11 councils to test how the Right to Build will work in practice. The consultation highlighted that there was strong support for the Right to Build among self and custom builders; and we have worked closely with the hon. Member for South Norfolk (Richard Bacon) to ensure that his Government-supported Self-build and Custom Housebuilding Private Members' Bill has successfully passed through Parliament, putting in place legislation for the first key part of the Right, the establishment of local custom build registers. In addition we have announced a new £150 million investment fund to help provide up to 10,000 serviced building plots.

Getting empty and redundant land and property back into use

Brownfield land that is suitable for housing has a vital role to play in meeting the need for new homes. The National Planning Policy Framework makes clear that planning should encourage the effective use of land by re-using brownfield land provided that it is not of high environmental value, and that councils can set locally appropriate targets for using brownfield land. We estimate up to 200,000 homes could be built on such land with local planning authorities challenged to have permissions in place on more than 90 per cent of brownfield land suitable for new homes by 2020.

We are committed to supporting councils in their drive to deliver on this goal and have given them the opportunity to bid for a share of £4.4 million funding to develop local development orders for

housing on brownfield land. Awards to a further nine councils have just been agreed.

We have delivered a comprehensive package of policies to help get empty homes and buildings back into use and successfully reduced the number of empty homes to their lowest level since records began. We have:

- Provided over £200 million to fund innovative schemes run by community groups, councils and housing associations up and down the country to bring empty properties back into use. So far, our funding has enabled local groups to create almost 6,000 new homes from empty property – providing apprenticeship and training opportunities as well as more homes and better neighbourhoods for local people – with the potential to deliver more.
- Rewarded councils for bringing 100,000 empty homes back into use through the New Homes Bonus;
- Given councils new powers to remove council tax subsidies to empty homes, and use the funds to keep the overall rate of council tax down. We have also changed tax rules to discourage the use of corporate envelopes to invest in high value housing which may be left empty or under-used to avoid paying tax;
- Cancelled the Labour Government's Pathfinder programme which sought to demolish homes, instead of focusing on refurbishment and getting empty homes into use; and revoked associated pro-demolition guidance from the Office of the Deputy Prime Minister;
- Taken forward the best practice recommendations produced by our independent empty homes adviser, George Clarke—such as refurbishment and upgrading of existing homes should be the first and preferred option, and that demolition of existing homes should be the last option after all forms of market testing and options for refurbishment are exhausted; we have embedded these principles in our housing programme funding schemes;
- Reformed Community Infrastructure Levy regulations to provide an increased incentive for brownfield development, extending exemptions for empty buildings being brought back into use. We have reduced Section 106 burdens on vacant buildings being returned to use.
- Introduced the Right to Contest, building on our existing Community Right to Reclaim Land, which lets communities ask that under-used or unused land owned by public bodies is brought back into beneficial use. This new right applies to central Government sites currently in use, but not vital for operations.
- Amended national planning policy through the National Planning Policy Framework to encourage councils to bring back empty properties back into use;
- Funded a new business rates reoccupation relief to help bring empty shops back into use; and
- Reformed permitted development rights in a number of ways to free up the planning system and facilitate the conversion of redundant and under-used non-residential buildings into new homes.

The Government has already released enough surplus public sector land to build over 100,000 new homes. We are committed to releasing land with capacity for up to 150,000 homes between 2015 and 2020 and will look to set departmental contributions by the Spending Round.

Conclusion

There is still more to do, but I hope this illustrates how this Government has delivered and cleaned up Labour's mess. Our long-term economic plan is building more houses, giving more power to local communities, and helping people move onto and up the housing ladder.