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Ministers consider planning shake-up to boost affordable housing

Consultation will look at reforms to allow for hundreds of thousands of new homes to be built on brownfield sites



Almost 30 developers, including the UK's biggest housebuilder Barratt Developments, have thrown their weight behind the 'small sites' proposal © Chris Ratcliffe/Bloomberg

Ministers will consult on planning reforms that would free up pockets of brownfield land in cities in England to allow the building of hundreds of thousands of homes and prop up struggling small builders.

The government said this week it would look at proposals that would support the development of smaller sites for new housing after Andrew Lewer, a Conservative backbench MP, put forward an amendment to the delayed levelling up and regeneration bill that is going through parliament.

Lewer had sought to insert a "small sites clause" into the legislation that would have required councils to "support opportunities to bring forward sites and apply a presumption in favour of development", provided at least 60 per cent of homes proposed were affordable.

He said he had decided not to seek a vote on the amendment because ministers "had indicated an interest in the amendment and assurance it will be part of the government's future thinking."

He added: "We all know the scale of the crisis we're facing. In 2003, 59 per cent of households led by someone aged 25 to 34 were homeowners and by 2020 this had fallen to 47 per cent."

The government said in a statement: "We want to see the right homes built in the right places — that's why we will consult on what more we can do to support development on small sites, particularly in respect to affordable housing.

Almost 30 developers, including the UK's biggest housebuilder <u>Barratt</u>

<u>Developments</u> and smaller groups such as London-focused affordable housing company Pocket Living, have thrown their weight behind the "small sites" proposal.

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Marc Vlessing, chief executive of Pocket, argued that a small sites clause would bolster the stock of affordable housing in England and help revive SME developers which have all but vanished over the last few decades.

"The demands on a small site are completely equal to the demands on a very large site... Large sites can afford that far better than small," said Vlessing.

According to the Home Builders Federation, SMEs account for only around 10 per cent of new homes, compared with 40 per cent in 1988.

"We are in a housing economy where only the very, very biggest and the very, very smallest [developers] can survive. The biggest because they have the fat to survive even the most damning policies and the smallest because they are so focused [that] if the politics go against them they can pack up and come back in a couple of years," said Vlessing.

His company's analysis of available land in 10 large English cities suggests adopting the proposal would immediately free up plots for 110,000 new homes to be built. Loosening planning rules could ultimately lead to multiples of that being built, according to the developers.

"A presumption in favour of development of small sites for affordable housing could unlock thousands of sites to build hundreds of thousands [of] affordable homes across the country in the years ahead," said Paul Hackett, chief executive of housing association Optivo.

The levelling up bill is the latest attempt to reshape the planning system with the aim of boosting both housing numbers and building standards, following failed efforts by previous premiers <u>Boris Johnson</u> and Liz Truss.

But the proposals have been contentious and the passage of the bill beset by infighting, which has split MPs in Tory heartlands, who are broadly opposed to easing rules, from those in the "red wall" seats gained from Labour at the last election, who favour a more liberal approach.

Earlier this month, the former group pressured housing secretary Michael Gove to scrap mandatory housing targets.