

Housing Policy – Government's Plans for Reform: A Planning Perspective



Jenny Wigley KC



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For a few moments, a leasehold / commonhold free zone!

What else is going on in housing reform?

**Housing Policy and Legislation –
from a Planning Perspective**



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Housing Policy – Government’s Plans for Reform: A Planning Perspective - Context

- General Election – 4 July 2024
- Written Ministerial Statement and Consultation Draft NPPF – July 2024;
- “We are in the middle of the most acute housing crisis in living memory”
- Commitment to deliver 1.5 Million new homes in this Parliament



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Housing Policy – Government’s Plans for Reform: A Planning Perspective – Steps Taken

- New Homes Accelerator
- New Standard Method for calculating housing need
- New Towns Taskforce
- NPPF published December 2024, accompanied and followed by PPG



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Housing Policy – Government’s Plans for Reform: A Planning Perspective – New Homes Accelerator

- Consultation 29 August - 31 October 2024
- Response letter 13 February 2025
- Specific help to be focused on sites of 1500 + homes
- Wider Issues identified to be addressed
 - Role of Statutory Consultees
 - Infrastructure Delivery
 - Utilities Provision
 - Environmental Factors



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Housing Policy – Government’s Plans for Reform: A Planning Perspective – New Standard Method

- Sets a minimum annual local housing need figure
- Baseline – 0.8% of existing housing stock for the area (based on recent growth trends)
- Adjusted based on the affordability of the area
 - Depends on median workplace-based affordability ratios
- No longer any cap or no urban uplift
- Results in significantly higher annual need figure – 370,000, up from requirement of 300,000



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Housing Policy – Government’s Plans for Reform: A Planning Perspective – New Towns Taskforce

- Large scale new communities on greenfield land separated from other nearby settlements, but also some larger urban extensions and urban regeneration schemes
- At least 10,000 homes, at least 40% affordable, with focus on socially rented homes
- Call for Sites and Evidence closed 13 December 2024
- Update – February 2025 – over 100 responses
- Recommendations due July 2025



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Housing Policy – Government’s Plans for Reform: A Planning Perspective – NPPF Dec 2024 (1)

- Makes clear results of a new standard method set a ‘minimum’ figure for assessed housing need (NB knock on effect on 5yhls, housing deliver test, buffers and tilted balance under para 11)
- Emphasis on Social Rent as an important form of affordable housing
- Express policy support for mixed tenure housing sites – creation of diverse communities and improvement in timely build out (para 71)
- Continued encouragement for upward extensions above existing residential and commercial premises (para 125)
- Presumption in favour of approving housing on brownfield land within settlements unless substantial harm caused (para 125(c))



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Housing Policy – Government’s Plans for Reform: A Planning Perspective – NPPF Dec 2024 (2)

- Grey belt concept – scope for developing on the Green Belt without needing to show ‘very special circumstances’, depends on:
 - whether pdl; whether strong contribution to GB purposes a, b and d and whether fn7 policies strongly restrict;
 - any fundamental impact on purposes of remaining Green Belt, effect of policies in fn 7;
 - whether demonstrable unmet need and whether sustainable location
 - golden rules (affordable housing (50% or above), improvements to infrastructure, improvements to accessible green space). NB plan making test



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Housing Policy – Government’s Plans for Reform: A Planning Perspective – NPPF Dec 2024 (3)

- Plan making transitional provisions
- Not long for plans with 80% or less of new housing requirement (see e.g para 236, para 78(c) – re 20% uplift from 1 July 2026
- Inability to meet housing need now expressly stated to be an exceptional circumstance for release of Green Belt land in a development plan;
- Sequential test – pdl, then grey belt, then other GB
- Also see various updates to the web based Planning Practice Guidance (‘PPG’) published over recent months



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Housing Policy – A Planning Perspective – Legal Significance of Policy

- Policy's Role in Plan Making and Decision Taking
- S.19(2)(a) – Planning and Compulsory Purchase Act 2004
- S.38(6) 2004 Act and s.70 Town and Country Planning Act 1990
- NB – No legal impediment to prevent web-based PPG from amending the NPPF – *Mead Realisations Ltd v. SSHCLG* [2025] EWCA Civ 32
- S.93 Levelling Up and Regeneration Act 2023 amends s.38 2004 Act, giving statutory weight to national development management policies in addition to the development plan, “unless material considerations strongly indicate otherwise”. But not yet in force



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Housing Policy – Government's Plans for Reform: A Planning Perspective – Hope Value and Working Papers

- Planning and Infrastructure Bill to be published in March with further details promised this week
- Include provisions for no 'hope value' on compulsory purchase of vacant and derelict land needed for homes and infrastructure
- Likely also to include provisions following consultation on 'working papers' relating to
 - Brownfield Passports
 - Development and Nature Recovery
 - Planning Committees
 - Streamlining Infrastructure Planning



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Housing Policy – Government’s Plans for Reform: A Planning Perspective – LURA provision

To address concerns over build-out, Gov’t to implement Levelling Up and Regeneration Act 2023 provisions, which:

- Require housing developers to notify LPAs before commencing, then report progress annually;
- Provide LPAs with power to decline planning applications by developers who fail to build out at reasonable rate



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Housing Policy – A Planning Perspective – Permitted Development (1)

- Short cut planning route to new housing
- Planning permissions granted by permitted development order (Schedule 2 to the Town and Country Planning (General Permitted Development) (England) Order 2015)
- Subject to ‘prior approval’ on specific issues but not on principle of development
- All count as dwelling completions against housing requirements



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Housing Policy – A Planning Perspective – Permitted Development (2)

- Class A (Building upwards to create dwelling houses on detached blocks of flats),
- AA (Building upwards to create dwelling houses on detached commercial or mixed-use buildings),
- AB (Building upwards to create dwelling houses on commercial or mixed-use buildings in a terrace),
- AC (Building upwards to create dwelling houses on dwelling houses in a terrace),
- AD (Building upwards to create dwelling houses on detached dwelling houses) and



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Housing Policy – A Planning Perspective – Permitted Development (3)

- ZA (demolition of buildings and construction of dwelling houses) of Part 20 of Schedule 2 to GPDO 2015
- Change of use (e.g agriculture / forestry buildings to dwelling, industrial / office to dwelling) under PD rights
- i.e Class MA under GPDO: Change of Use from Class E (commercial (inc retail, restaurants/cafes, financial and professional services and business uses compatible with residential area) to Class C3 (dwelling house)

But remember subject to exclusion by Article 4 Direction by LPA



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Thank you

180 Fleet Street
London
EC4A 2HG

clerks@landmarkchambers.co.uk
www.landmarkchambers.co.uk
+44 (0)20 7430 1221

in Landmark Chambers
Landmark Chambers
Landmark Chambers

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