



## **New homes bonus – A CLG consultation**

### **Response by the English National Park Authorities Association**

**December 2010**

1. The English National Park Authorities Association (ENPAA) supports the policy-making process by co-ordinating the views of the ten English National Park Authorities. It is governed by the Chairs of the ten Authorities. Our response represents the collective view of officers who are working within the policies established by the National Park Authorities (NPAs). We are happy for our response to be made publicly available and would be happy to discuss any of the points we make further with officials if that would be helpful.
2. ENPAA welcomes the opportunity to comment on the government's initiative to incentivise, rather than penalise, councils and communities for new homes. In particular ENPAA supports the potential of the incentive to bring forward much needed developments to meet the local needs of our resident communities within National Parks.
3. ENPAA's position statement on affordable housing (2008) identifies that the challenge of providing affordable housing within National Parks is particularly acute given that these areas are both rural and have limited land available for housing development for the reasons that are well explained in the Commission for Rural Communities recent report on England's uplands. Nevertheless, the policy statement makes clear that all NPAs are committed to addressing this challenge to ensure we retain thriving communities living and working in National Parks.
4. The CLG consultation document makes it clear that the Government wishes to reward local authorities that provide the right balance of housing to meet the needs of local people. And undoubtedly the proposal is essentially a planning incentive.
5. In the context of this consultation ENPAA is concerned that "local authorities" has not been defined and we suggest, erroneously, omits National Park Authorities (NPAs) and Broads Authority from this incentive. A similar omission occurred with NPAs in the initial stages of the development of the previous performance reward system - The Housing and Planning Delivery Grant which was subsequently rectified. The same should be true of the New Homes Bonus scheme.
6. Spatial planning has an obvious, and critical, role in securing sustainable development, including sustainable housing development. NPAs are the sole local planning authority for their areas. England's National Parks cover almost

10% of the country by land area. The recently published consultation “Consultation on the Governance arrangements for the National Parks and the Broads” (November 2010) makes it clear the intention that this should continue:

*The Government wishes to retain an independent authority, as currently exists, for each of the National Parks and the Broads. It intends that these authorities should continue to be the local planning authority for their areas.*

7. Clearly the New Homes Bonus is directed at Local Planning Authorities. Para 3.21 of the consultation document makes clear that for the incentive to be most powerful it must be strongest where the planning decision sits. In the case of National Parks this is with the NPA. Therefore, we seriously question the omission of NPAs from the ‘New homes bonus gross payment calculator’.

8. The only reference to NPAs is within paragraph 3.23 of the consultation which states that “*the local authority may negotiate funding with the npa*” – this is discretionary and does not in any way guarantee that those local communities within the National Parks will benefit from this scheme, or indeed incentivise them to accept additional housing within their areas. This needs to be rectified, recognising the crucial role National Park Authorities have in delivering the government’s agenda.

9. Provision of additional, appropriate housing within National Parks is a key aspect of our need and ambition to achieve sustainable development. There is a need for more affordable housing in National Parks to meet the housing needs of our local communities. And the delivery of this type of housing is increasingly challenging. Importantly the National Park Authorities are working with our local communities to achieve further housing that is affordable and sustainable, and understanding their wider priorities for investment. This should be acknowledged, and furthered, through this scheme.

10. For the above reasons the current reference in paragraph 3.23 is not acceptable to us and we would strongly advocate an alternative approach that recognises the vital role of National Park Authorities in supporting the sustainable development of National Park communities.

11. We believe the NPAs should directly benefit from the New Homes Bonus, being directly incentivised to bring forward new housing developments within their national parks, and reinforcing the need to be responsive to the needs of local communities. The onus would then be placed on NPAs to consult with “local authorities” as to how this money should be spent through partnership working based on the wishes of the local communities that are closest to the new development.

## **Consultation questions**

### **Consultation question 1**

**Do you agree with our proposal to link the level of grant for each additional dwelling to the national average of the council tax band?**

12. In the absence of knowledge relating to suitable alternatives, the approach set out would appear acceptable. However, we need to make sure that the

delivery of affordable housing is not undervalued as it serves to provide accommodation in areas of highest need.

### **Consultation question 2**

**The Government proposes an affordable homes enhancement of £350 for each of the six years – what do you think the enhancement should be?**

13. ENPAA recognises that the proposal is essentially a planning incentive and is not intended to contribute towards the cost of providing the housing or costs of determining the planning. It is there to encourage communities to welcome new housing through the other benefits it provides. England's National Parks are in the frontline of the challenge of meeting the housing needs of local communities and the additional enhancement is supported. However, we would like serious consideration to be given to a higher rate that recognises the importance of public services to many people in housing need, particularly in the more remote rural areas.

### **Consultation question 3**

**Do you agree with the proposal to use PPS3 and also include pitches on Gypsy and Traveller sites owned and managed by local authorities or registered social landlords to define affordable homes?**

14. As the definition of affordable homes as defined by PPS3 is engrained in Core Strategies and subsequent Development Plan Documents it would seem only logical to apply a consistent approach.

### **Consultation question 4**

**Do you agree with the proposal to reward local authorities for bringing empty properties back into use through the New Homes Bonus?**

**Are there any practical constraints?**

15. This is a sensible approach.

### **Consultation question 5**

**Outside London: Do you agree with the proposal to split the payment of the new Homes Bonus between tiers: 80 per cent to the lower tier and 20 per cent to the upper tier, as a starting point for local negotiation?**

**If not, what would the appropriate split be, and why?**

16. We **do not** agree with the proposed split which looks to be arbitrary and not based on the particular needs of a locality that would benefit from sustainable development. Local negotiation is paramount to the success of this incentive. It is crucial that local circumstances are considered when deciding where to split the payment. In this context we are not convinced that a percentage split is necessary, instead criterion could prove a more effective method of deciding where the money should go. This will be particularly important in the negotiations

surrounding the viability of a housing scheme with regards to infrastructure. All funding should go to the determining authority in the first instance to be allocated in different ways depending on the best use of the incentive funds. The NPA is the determining authority within National Parks so ought to receive the incentive which it will distribute in a way that best meets the requirements of the local community. Again reference is made to para 3.21 of the consultation – within National Parks it is the National Park Authority and not the County or District/Borough that makes the planning decision – and this is where the incentive must lie if it is to provide the greatest incentive.

### **Consultation question 6**

**Do you agree with the proposal to use the data collected on the Council Tax Base form as at October to track net additions and empty homes?**

17. An alternative and accurate data set would be Annual Monitoring Reviews. These are available in December.

### **Consultation question 7**

**Do you agree with the proposal for one annual allocation based on the previous year's Council Tax Base form, paid the following April?**

18. The Bonus should be available to local authorities at the start of the financial year, providing a stable and predictable income from which local authorities can confidently plan.

### **Consultation question 8**

**Do you agree that allocations should be announced alongside the local government finance timetable?**

19. If our recommendation is supported then the Bonus would have to be paid directly to National Parks Authorities through DCLG and not through Section 31 of the Local Government Act 2003 as specified in the consultation.

20. We suggest that a simple annual payment be made to National Park Authorities, in the same way as that devised for the Housing and Planning Delivery Grant. The amount would be calculated on the basis of the council tax rates set by the local authorities in the areas covered by the National Parks.

### **Consultation question 9**

**Do you agree with the proposal to reward local authorities for affordable homes using data reported through the official statistics on gross additional affordable supply?**

21. For areas where the district area is crossed by a national park, the housing completions in the national park are not generally collated into the HSSA thus resulting in a data set which is not truly representative. We would request for accuracy that the reward for affordable homes is based on actual completions

data which is collected by the local planning authority. This ensures the reward is transparent, and above all equitable.

22. If registered providers are able to purchase houses from the open market to increase the affordable housing stock, they should be rewarded directly as acquisitions is an area of supply which is extremely challenging.

### **Consultation question 10**

**How significant are demolitions?**

**Is there a proportionate method of collecting demolitions data at local authority level?**

23. No comment.

### **Consultation question 11**

**Do you think the proposed scheme will impact any groups with protected characteristics?**

24. No comment.

### **Consultation question 12**

**Do you agree with the methodology used in the impact assessment?**

25. No comment.

### **Consultation question 13**

**We would welcome your wider views on the proposed New Homes Bonus, particularly where there are issues that have not been addressed.**

26. The New Homes Bonus should address the concerns identified in the introduction of our response above. NPAs are local planning authorities and need to be fully involved in this process. ENPAA has put forward a recommendation to address this concern. We hope that the Bonus will be inclusive.

ENPAA

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