

## “A home-owning, asset-owning, wealth-owning democracy”

Gordon Brown, 13 May 2007

Gordon Brown wants housing supply to be a top policy priority for his Government. He also wants to build new homes to higher environmental standards and promised five new ‘eco-towns’ at the start of his leadership campaign. The Home Builders Federation, whose 300 members represent some 80% of all private housing completions in England and Wales, also wants to see more, greener and quality homes built.

If Britain’s housing shortage is to be tackled and homes built to higher environmental standards, the Government must ensure that the following steps are undertaken:

### A Secretary of State for Housing and planning with a seat at the cabinet table

Housing is a critical issue for the prosperity and quality of life of the British people. It should have a strong voice in Government, like transport, health and education.

#### 1) The planning system **MUST** bring forward enough developable land

While densities have gone up on average from 25 dwellings per hectare in 2000 to 40 today the amount of land coming forward has gone down. We urgently need to increase housing supply by a third. We can only do that with more land with planning permission.

*FACT: Between 1997 and 2003, the amount of land brought forward for development actually fell by 7%*

#### 2) The planning system **MUST** become more efficient

The planning system is too slow and complex. Implementation of the Planning Policy Statement on Housing and the Planning White Paper must ensure that more land is brought forward and the process also becomes more efficient.

*FACT: Shortage of land and planning policies have meant it now takes on average 475 days – over fifteen months – from the submission of an application to developers starting on site*

#### 3) The burden of regulation **MUST** be eased

The escalating cost impact of regulation on land values is already constraining housing output, even before the zero-carbon target or a proposed Planning-gain Supplement is factored into the equation.

*FACT: English Partnerships puts the cost of achieving Level 5 of the Code for Sustainable Homes at £26,000 to £36,000 per ‘traditional’ dwelling, a land cost of £1.0-1.4 million per hectare at current densities.*

#### 4) All parties **MUST** keep to an agreed 10 year framework on zero-carbon homes

The HBF is committed to working with the Government to build all new homes to zero-carbon performance standards by 2016. This is a challenging objective, which will only be met if all parties stick to the proposed ten year framework of national rules. A multiplicity of different local targets is hampering the industry’s ability to build more and greener homes within ten years.

*FACT: Local authority target-setting will hinder manufacturers in identifying and proving the right products, complicate training in new skills, and risks product and housing design failure.*

#### 5) Home builders **MUST** be free to meet the full range of consumer demand across the market

Within the constrained overall supply, there is currently an acute shortage of family homes, driving up house price inflation for families, many thousands of whom are leaving Britain’s towns and cities.

*FACT: New density requirements and the industry’s response to affordability concerns have resulted in the proportion of housing completions with 3 or more bedrooms in England falling from 67% to 47% between 1999/0 and 2005/6.*