

Better Planning for Housing Affordability

Planning is often accused of contributing to the housing crisis but successive planning reforms have done little to help since planning was never its cause. Indeed, with the right support proactive planning offers important solutions to the crisis.

Housing costs of all types and tenures are rising across the UK as part of a phenomenon frequently referred to as “the housing crisis”. The high cost of housing is not confined to ownership; as it stands all tenure types command a disproportionate amount of peoples’ income.

Under successive governments in England, planning has been seen as a barrier to development, and “planning reform” as the silver bullet solution to housing affordability. Clearly, the increasing housing crisis suggests that this hasn’t worked. It fails to acknowledge the multifaceted nature of the problem, which encompasses issues in the land market, the complex relationship between demand and supply, the financialisation of housing, reduced local authority housebuilding and more. And constant planning reform has had negative consequences – 73% of RTPI members surveyed reported that it has hindered their ability to deliver good places.

The ‘anti-planning’ argument has also ignored the positive role that planning can play as a part of the solution. Planning is critical to providing clarity and confidence for investments by markets to deliver good development. It can capture value uplifts, coordinate developments, integrate land use and infrastructure, and engage communities. Strong planning institutions can undertake upfront land assembly and infrastructure provision. This means planning is able to shape the form and structure of housing development, and encourage a density, quality, and tenure, which meets people’s social and economic aspirations.

We need to recognise and invest in the positive role that planning can play in delivering better housing affordability, and more broadly, better places. Fundamentally, we need to rethink how we develop policy, in ways which are less theoretical and more grounded in practice and what works locally. This is what the RTPI’s Better Planning programme is about.

Through its Better Planning programme, the RTPI is embarking on a number of projects to explore how proactive planning can help tackle the housing crisis. This includes:

- Commissioning high quality research to explore strategies for securing housing affordability. So far this has included research on local authority housebuilding, development finance, and the delivery of large scale housing.
 - Gathering case studies of proactive planning contributing to housing affordability.
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To find out more, visit: rtpi.org.uk/housingaffordability

*For more on the Better
Planning programme see:*

rtpi.org.uk/betterplanning

A new approach to housing policy

Unfortunately, thirty years of almost continual changes in policy and regulation, and the failure to support planning, has left the UK incapable of delivering consistently good places. The RTPi has developed a number of policies that address the complex set of issues around housing, with an emphasis on improving places and the role planning can play in this.

Taking a strategic view

Planning is at its most effective when it takes a strategic overview. Rather than focussing narrowly on housing numbers we need to look at all the factors that go into creating better places. This means:

- aligning transport infrastructure investment decisions and housing delivery
- thinking about the structure of the market and existing housing stock
- taking innovative approaches to align housing plans with other goals like climate change mitigation

Building strong and responsive local planning departments

Good planning needs powers and resources. It is hard for planners to take a proactive and strategic approach when they barely have enough time to process applications.

- local authorities should be able to charge the planning fees they need to do all their work
- planning inspectors should be able to find local plans partially sound rather than holding them up on small issues
- local authorities should be proactive in assembling housebuilding sites

Creating policy and investment environments that promote housing affordability

Central government could support proactive planning and housing affordability by:

- requiring city regions wanting devolution deals to have a plan for housing
- making the Land Registry an open data organisation and giving it powers to collect more information on who controls land
- creating a fiscal regime that encourages build to rent
- providing stronger direction on suitable land for housing
- exploring the operation of the land market. In particular looking for ways to better capture some of the increase in land value and using this value to fund affordable housing and the infrastructure good places need

Developing the housebuilding sector

We need a more diverse and skilled housebuilding sector. This means:

- Offering ready permitted sites to SMEs
- Keeping housing associations building. They've helped in previous downturns and must be supported to do so again.
- Getting the public sector building
- Investing in the next generation who will make housing happen

For more on the Better Planning programme see:

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