

BARKER REVIEW OF HOUSING SUPPLY

Land Constraints – Issue 1

In the context of Luton there is an undeniable shortage of land, suitable or otherwise, for housing and other uses. The Borough is built out to its boundary, the only housing land being brownfield sites, and development of these inevitably means a loss of employment opportunity. Whenever a brownfield site becomes available, almost without exception the preferred re-use is housing development, and there is no difficulty in determining planning applications within a reasonable timescale. Much time is lost, however, arguing over S.106 requirements in respect of affordable housing and social infrastructure requirements – contribution to education and community provision, for example.

So few sites come forward in Luton that “optioning” has not been an issue. It may be an issue in the future, as much of the land likely to be released in the Sustainable Communities Growth Area is beyond the Borough boundary and largely in the hands of developers with options on it.

Insufficient land is identified in Luton’s local development plan because the land does not exist to allocate it. Equally, over the border in South Bedfordshire the Structure Plan policy has been to divert housing provision away from the Luton / Dunstable area to the north of the County where environmental constraints are less difficult. If land had been available, there is little doubt that developers would have come forward quickly to develop it.

Constraints facing the industry – Issue 2

We would comment, generally, that questions concerning finance, investment decisions, alternative manufacturing methods, etc., will be best answered by respondents from the industry itself.

Whilst a stock of relevant skills exists in Luton, this is denied to local house builders due to the “London factor”, resulting, effectively, in a serious local shortfall. Skilled local workers commute into London in response to a recent upsurge in demand. The Council has, in turn, responded by expanding building trades training opportunities but more needs to be done.

The problems associated with development of brownfield sites in Luton, including contamination and dereliction, are similar to those encountered anywhere else, but to build up a full picture would require extensive investigation, site by site. There would be little merit in trying to predict the level of abnormal cost, delays and uncertainties but suffice to say, the presence these factors can generally be assumed.

Policy Environment – Issue 3

We believe it is true to say that in Luton policy guidance has not been difficult to interpret. The problem has been the threshold for the provision of affordable housing that was set nationally. Only now, through review of the Local Plan, is a different threshold for development in Luton being tested. The system at the moment does not offer particular incentives to develop brownfield land, but it happens relatively easily in Luton because there is nowhere else to build. The changes to the planning system may not help in a situation such as Luton, excepting perhaps in respect of CPO provisions, but until the White Paper is finalised it is not possible to discuss details.

A particular problem when there is little land is the pressure to maximise the use of sites. This can mean that “social” and “environmental” needs give way to the pressure to build higher densities of housing and to meet housing targets, potentially creating poor environments for the future.

Luton has had no difficulty in principle with changes of use from other uses to housing. In practice, however, provision of basic facilities such as car parking, space to dry laundry and store dustbins, and problems of access in schemes such as “living over the shop”, have limited the opportunities. Again, the review of the Luton Local Plan is looking to address these issues in policy terms, but there will remain a perception in decision-makers’ minds about what is, and is not, an acceptable residential environment.

Building Regulations do not restrict development, other than perhaps preventing developments that could not meet Regulations and that should not be built in any case. We could not support any suggestion of a relaxation of standards.

Social Housing and the Rental Sector – Issue 4

We have no clear knowledge as to the economic reasoning behind the failure of the industry to respond by filling the shortfall in affordable housing or housing to rent. It may be fair to assume that if institutional investors are seeking long-term, stable investments, which yield a steady, or rising, income stream, coupled with predictable capital growth, then the inherent volatility of the residential sector may render it unattractive. It is clearly necessary to canvass views from within the industry.

We do not think it is true to say the private sector has not expanded the provision of affordable housing. Most schemes provide an element of low cost market housing, which falls within the definition of affordable. However, developers who have been asked to provide “social housing” or land for it, or upon whom this may have been imposed, through a S.106 requirement, perhaps tend then not to include low cost home ownership options as they seek to maximise the return on

the remaining land. Perhaps in Luton there have been too few examples to properly judge this.