



CIH response to

**DCLG's Consultation on Section 106 Planning
Obligations – speeding up negotiations**

March 2015

By email to planningconsultation@communities.gsi.gov.uk

1. Introduction

1.1 The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple – to provide housing professionals and their organisations with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org

1.2 CIH welcomes the opportunity to comment on the proposals put forward in the consultation paper. Whilst we have not addressed specific questions our response raises our concerns and priorities that should shape the direction of travel to support effective and timely agreement of section 106 planning obligations.

2. Speeding up Section 106 agreements

2.1 We understand that the performance on section 106 agreements in terms of timing for conclusion and impacts on delivery can vary. For authorities with limited capacity and resources, there can be significant challenges to address the arguments raised by some large scale and well resourced developers. This has been exacerbated by the reductions to local authorities' funding which has led to 46% reducing spend on planning and development (*NAO, 2014, The Impact of Funding restrictions on Local Authorities*). Loss of staff has been a significant element in achieving the spending cuts necessary, further restricting authorities' capacity to respond to negotiations within set timescales.

2.2 For that reason we feel that effective measures to speed up section 106 negotiations need to include support for authorities and staff to undertake effective and robust negotiations in –house. We agree that a mediation/ dispute resolution vehicle, to resolve long standing and unresolved agreements following expiry of the timeframe, would also be effective, and we would support this rather than an automatic and 'deemed' solution. The route of mediation/ dispute resolution allows for clear assessment of local needs and priorities to shape the final agreement reached.

2.3 To achieve the aim of resolution of longstanding section 106 negotiations, we agree that the decisions of the body tasked with dispute resolution would need to be binding on both parties, but it must therefore be seen to weigh up and evaluate the competing assessments appropriately. To ensure its expertise, a fee system is likely to be necessary but it should be a sliding scale approach according to scale, to ensure that small schemes and small authorities or developers are not excluded from its services on the basis of cost, particularly given that restricted resources are part of the issue for small local authorities.

2.4 Given the increasing difficulty that so many within our communities are experiencing in accessing housing that is affordable for their needs – reflected in the 1.4 million on waiting lists (*DCLG live table 600*) and the number of young people and families in privately rented housing with few alternative housing solutions – we strongly support the vital role that section 106 plays in delivering affordable solutions

for local areas. That includes ensuring the delivery of affordable housing in suitable locations linked to good transport and local facilities (i.e. on site specific developments). For that reason we believe that the measures to speed up negotiations should not mean a dilution in this as a route of delivery of new affordable homes.

3. Section 106 and student accommodation

3.1 We would, for the same reason, have concerns about any automatic waiver to section 106 delivery in respect of dedicated student accommodation. Potentially additional criteria could be added to viability assessments (to take account of the number of homes that could be released from student use where more dedicated stock exists), but not a complete exemption from all expectation of delivery of some affordable homes, where there is a clear local unmet need.

4. Contact

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