



Ministry of Housing,  
Communities &  
Local Government

Members of Parliament in England

30 June 2020

Dear Colleague,

## **HOUSING AND PLANNING UPDATE**

Today the Prime Minister delivered a landmark speech – outlining a package of measures to drive our economic recovery, get Britain building again, and start an infrastructure revolution. This support will provide a major stimulus for towns, communities and homebuilders throughout England – increasing the number of homes built and enabling local leaders to take control of their area's development. I am writing to outline further details of key parts of this package.

### **Changes of Use**

Our high streets are central to our communities and now, as our economy starts to recover from the Covid-19 outbreak, we must provide the necessary freedoms to help our town centres to thrive. As part of that it is vital we ensure our high street businesses are able to adapt and diversify. That is why I intend to simplify the current system of use classes in England.

As now, buildings and land which fall within a particular use class will be able to change from one use to another without the need for planning permission. However, in order to respond to the needs of their local communities, I will create a new broad category of 'commercial, business and service' uses which will allow commercial, retail and leisure uses greater freedom to adapt to changing circumstances. This is particularly important for our town centres to ensure new uses can be readily accommodated. At the same time, I will also ensure valued community and learning uses are protected through the planning system, and we will also introduce a new permitted development right to support changes of use to residential so more new homes are delivered in our town centres.

In undertaking this reform, I recognise that there are certain uses which give rise to important local considerations; for example to ensure local pubs and theatres are protected, or to prevent the proliferation of hot food takeaways or betting shops. It will remain the case that changes to and from these uses will still be subject to full consideration through the planning application process. Heavy industrial uses will also require local consideration through the planning process.

### **Regeneration of Vacant and Redundant Buildings**

We must also make the best use of our brownfield land and underused buildings to enable our towns to grow in a sustainable way. That is why I intend to introduce a new permitted development right to

encourage regeneration and put empty buildings back to good use. This will serve to bring forward additional much needed homes and boost investment opportunities for the construction industry.

The right will allow free-standing vacant and redundant commercial and residential buildings to be demolished – and rebuilt as residential use within the footprint of the existing building. I recognise that development in certain locations requires individual consideration and therefore, I propose that the right does not apply, for example, in national parks and conservation areas or to listed buildings.

In addition, to support the gentle densification of our towns, we will introduce further permitted development rights to allow upwards extensions of buildings – to provide new homes and allow for home extensions. Existing buildings in commercial and residential uses will be allowed to construct additional storeys to create new homes or provide space for growing families to extend, making best use of our low-density locations. I introduced the first of these rights on 24 June – for free standing blocks of flats – and this second right will extend this to more buildings, including commercial buildings and homes. Through this new right, greater certainty will be given to developers and home owners. In return, there will be a requirement to carefully consider both the impact on neighbours and the appearance of the extension.

I intend to bring forward the regulations to deliver these additional planning freedoms before summer recess and hope you will agree these are important changes which will help support the economic recovery of our town centres and provide much needed homes.

### **Building Homes and Increasing Home Ownership**

Supporting the housing market is critical to stimulating our broader economy – both by getting shovels in the ground and providing the homes people need to play their full part in society. Learning from the 2008 financial crisis, we are implementing confidence-building measures for the housing construction sector which support builders and help everyone, especially our key workers, to have a home of their own.

We're pressing ahead with the launch of the new Affordable Homes Programme, which will bring investment in affordable housing to over £12 billion over the next five years – the biggest cash investment for a decade – and deliver up to 180,000 homes over the next eight years. As part of this, our ambition is to launch a pilot programme to deliver 1,500 First Homes – local homes sold to first-time buyers and key workers in the area at a 30 per cent discount off market prices – and we will also introduce the new Shared Ownership scheme, which will be even more accessible for aspiring homeowners who are struggling to take their first step on to the housing ladder.

We are also announcing new measures to support the SME builders who are so crucial to innovation in the housebuilding sector, but who have seen their cash flow harmed by the pandemic. We are providing £450 million of loans to smaller developers, custom builders, and builders using innovative construction methods. This is expected to support delivery of around 7,200 new homes.

### **Levelling Up and Supporting Local Leaders**

Covid-19 has had different impacts on different places, and we know that local leaders and communities know best what their areas need. We are providing them with new freedoms and funding to get building now and drive forward recovery at the local level.

On housing, we set out today the allocations for 90 per cent of the £400m Brownfield Fund first announced at Spring Budget (see Annex A). This will enable mayors to transform blighted brownfield sites, unlock around 24,000 high-quality homes in our towns and cities, and reduce pressure to build on greenfield sites.

Over the last few weeks we have also been working with local areas to identify 'shovel-ready' projects across the country that will provide stimulus to local economies and today we announced a £900 million fund to deliver these projects (see Annex B). Alongside this, we are accelerating the £3.6 billion Towns Fund to further support our economic recovery, bringing forward nearly £100 million of funding. This will mean that each of the 100 towns selected for a deal will be able to apply for funding of between £500,000 and £1 million, to help meet the immediate challenges they are facing.

A handwritten signature in black ink that reads "Robert Jenrick." The signature is written in a cursive style. Below the signature is a single horizontal line.

**RT HON ROBERT JENRICK MP**

## **Annex A – Brownfield Fund Allocations**

<b>Combined Authority</b>	<b>Allocation</b>
West Midlands (WMCA)	£84m
Greater Manchester (GMCA)	£81m
West Yorkshire (WYCA)	£67m
Liverpool City Region (LCRCA)	£45m
Sheffield City Region (SCRCA)	£40m
North of Tyne (NTCA)	£24m
Tees Valley (TVCA)	£19m
<b>TOTAL</b>	<b>£360m</b>

## **Annex B – Getting Building Fund Allocations**

<b>Area Type</b>	<b>Area Name</b>	<b>Region</b>	<b>Total (£m)</b>
CA	Tees Valley	North East	17.4
LEP	Cornwall and Isles of Scilly	South West	14.3
CA	Sheffield City Region	Yorkshire and The Humber	33.6
LEP	North East (includes North East and North of Tyne combined authorities)	North East	47.0
LEP	Greater Lincolnshire	East Midlands / Yorkshire and The Humber	25.8
LEP	Lancashire	North West	34.1
CA	West Yorkshire	Yorkshire and The Humber	52.6
LEP	Humber	Yorkshire and The Humber	13.4
CA + LEP	West Midlands Combined Authority (Black Country LEP, Greater Birmingham and Solihull LEP, Coventry) + Warwickshire	West Midlands	74.1
LEP	Cumbria	North West	10.5
LEP	Stoke-on-Trent and Staffordshire	West Midlands	23.7
LEP	Worcestershire	West Midlands	12.0
LEP	The Marches	West Midlands	14.0
LEP	Heart of the South West	South West	35.4
LEP	Derby, Derbyshire, Nottingham and Nottinghamshire	East Midlands	44.4
LEP	South East	South East / East of England	85.0
LEP	New Anglia	East of England	32.1
CA	Greater Manchester	North West	54.2
LEP	Leicester and Leicestershire	East Midlands	20.0
LEP	York and North Yorkshire	Yorkshire and The Humber	15.4
LEP	GFirst	South West	11.3
CA	Cambridgeshire and Peterborough	East of England	14.6
CA	Liverpool City Region	North West	26.0
LEP	Cheshire and Warrington	North West	15.5
LEP	South East Midlands	East Midlands / East of England / South East	27.3
LEP	Dorset	South West	11.8
LEP	Buckinghamshire	South East	7.7
LEP	Hertfordshire	East of England	16.8
LEP	Swindon and Wiltshire	South West	9.7
LEP	Solent	South East	15.9
LEP	Coast to Capital	South East	19.2
LEP	Oxfordshire	South East	8.4
CA	West of England	South West	13.7
LEP	Enterprise M3	South East	13.3
LEP	Thames Valley Berkshire	South East	7.5
LEP	London	London	22.1
<b>TOTAL</b>			<b>900.0</b>