



Department for Levelling Up,
Housing & Communities

Rachel Maclean MP

Minister of State for Housing and Planning
2 Marsham Street
London
SW1P 4DF

Your reference: ZA18150

Our reference: 31009413

Tulip Siddiq MP
House of Commons
London
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30 August 2023

Dear Tulip,

Thank you for your letter of 29 August on behalf of your constituent about support for community led housing.

The Government recognises that the community-led housing sector – of which community land trusts are an important part – offers significant untapped potential for helping to meet housing need across England. In addition to helping increase the rate of delivery of new housing, it will help deliver a range of benefits including diversifying the housebuilding sector, improving design and construction quality, developing modern methods of construction and helping sustain local communities and local economies. The support and close involvement of the local community enables the community-led approach to secure planning permission and deliver housing that could not be brought forward through mainstream development.

You may be aware that the Secretary of State has recently confirmed his commitment to “scaling up” the delivery of community-led housing as part of a long-term strategy to accelerate housebuilding in England. His speech, made on 25 July, is available here: Long-term plan for housing: Secretary of State's speech - GOV.UK (www.gov.uk).

Since the most recent round of the Community Housing Fund closed in March 2022, we have been considering a range of measures by which we may support the growth of the community-led housing sector and a decision will be made in due course. For certain tenures of affordable housing, community-based groups – or their partner organisations – registered as providers of social housing may apply for capital grant through the Affordable Homes Programme (AHP).

The recent consultation on revisions to the National Planning Policy Framework included proposals to reflect the potential role of community-led development in delivering housing and invited comments on whether there are any changes that could be made to exception site policy that would make it easier for community groups to bring forward affordable housing. It also asked in more general terms what could be done to help the community-led housing sector and proposed to include a definition of community-led housing that may help local authorities support the sector. The content of the consultation does not constitute existing policy but sets out the Government's proposed amendments to planning policy. We are now considering all of the comments we received and will publish an update in the Autumn.

The Government is introducing a new Infrastructure Levy through the Levelling Up and Regeneration Bill which will reform the existing system of developer contributions, made up of Section 106 planning obligations and the Community Infrastructure Levy (CIL). The Bill allows a proportion of the Levy to be directed towards communities, as a neighbourhood share. This will build on the approach taken in CIL, in which a proportion of funds are passed on to a parish or town council.

Our recent technical consultation (which closed on 9 June) sought views on arrangements for spending the neighbourhood share of the Infrastructure Levy in unparished areas and we are currently analysing the responses received. We will conduct further consultation on the design of the Levy in due course before drafting the Infrastructure Levy regulations.

Thank you again for your letter and please do extend my gratitude to your constituent for taking the time to write in on this matter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rachel Maclean', with a small flourish at the end.

RACHEL MACLEAN MP
Minister of State for Housing and Planning