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'Nimby' planning rules threaten new homes

Jim Armitage

PROPERTY companies are fearing a shortfall of hundreds of thousands of new homes being built in the next three years as uncertainty over new "Nimby" Government planning rules makes it too risky for them to invest in new projects.

The planning director of one of the country's biggest housebuilders, speaking on condition of anonymity because of heightened political tensions over the issue, predicted fewer than 100,000 new homes would go up in 2010, 2011 and 2012.

That would be almost half of the amount built in 2006 and well below the Labour Government's never-reached annual target of 240,000.

Last week, another senior



building executive – Redrow founder and chairman Steve Morgan – criticised the "Nimbyist charter" of the new Government's planning law changes which make it easier for local residents to overturn planning applications.

Morgan, a vocal critic of

the previous Government's planning rules, said that the system had become even worse since the election as many authorities are refusing to process applications until the new rules kick in.

Construction executives fear that the shortage will be

Short supply: it's estimated that the number of houses built this year and in 2011 and 2012 will be half that of 2006

particularly bad in and around London where the need for new homes – particularly family-sized properties – is the greatest.

Builders are blaming the Con-Dem Government's plans to abolish council targets for building homes and allow locals a greater say in approvals.

Housing minister Grant Shapps has announced a scheme where local councils will be offered a bonus sum from central government, say £9000, for each planning consent granted.

Critics fear that residents in wealthier areas in and around the capital may simply end up agreeing to pay more council tax to make up for the shortfall in those bonuses in return for keeping the developers out.