

THE TIMES

10th August 2010

THE TIMES | Tuesday August 10 2010 263

Government acted unlawfully, says builder

Demand for judicial review over planning U-turn

Angela Jameson

A leading housebuilder has launched a legal challenge to the Government's abrupt decision to scrap Labour's regional planning strategies.

Eric Pickles, the Communities Secretary, said that the strategies were to be abolished soon after the general election in May. Within days, this led down plans for thousands of new homes, exacerbating a fall in housebuilding to levels not seen since 1924.

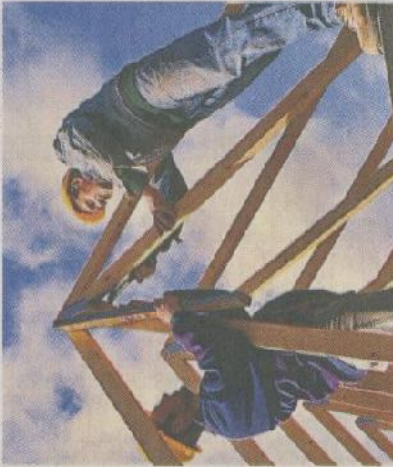
CALA Homes, the privately owned, Edinburgh-based housebuilder, lodged papers with the High Court yesterday seeking permission for a judicial review of the Mr Pickles' decision.

The strategies, which had existed since 2004, were used to set targets for housebuilding. They were denounced by Mr Pickles as "Soviet tractor-style, top-down planning".

In scrapping the strategies, CALA Homes argues that Mr Pickles acted unlawfully, as the move required primary legislation, and that transitional arrangements should have been put in place before the announcement.

Graham Cunningham, managing

DAVID HUBER/GETTY IMAGES



Shortfall

240,000

Homes needed each year to meet demand

123,000

Number of homes built in 2009

1.8m

Number of households on housing waiting list

Source: JML Research

locally accountable system. Critics believe that the new regime will create a charter for Nimbysism.

Grant Shapps, the Housing Minister, said yesterday that local authorities would be given cash bonuses for every new home built as part of a government drive to ease housing shortages.

Mr Shapps said: "We will not tell communities how or where to build. But the New Homes Bonus will ensure that those communities that go for growth reap the benefits of development, not just the costs."

Mr Cunningham said that housebuilders need not be afraid of localism in planning: "Responsible developers should embrace this change, but what is bad is a continuing policy vacuum."

More than 30 organisations, including property associations and engineering bodies, have written this month to register concerns about Mr Pickles' decision to scrap regional strategies.

A spokesman for the Communities Department said: "Planning decisions should be made at the local level wherever possible. Labour's regional strategies haven't built homes and have led to the lowest peacetime level of housebuilding since 1924."

versal proposal to build 2,000 homes in Winchester, which was turned down in June and was to have gone to appeal. However, no appeal can take place, the company argues, while there is an absence of planning policy.

The housebuilding industry is only beginning to recover from the recession and housing experts have warned of a one- to two-year hiatus in planning as councils adjust to a new, more

director of CALA Homes (South), said: "The Government has acted unlawfully in not putting any transitional arrangements for planning in place. There is a policy vacuum. We urgently need to build new homes, especially in the South East of England, but housebuilders have been left with no direction."

CALA's legal challenge to the Secretary of State centres on a contro-