

Mr Gove goes topsy-turvy

As ever, Secretary of State Michael Gove wants to have it both ways

Was it the grandstanding claim by Keir Starmer that he would 'drive a coach and horses' through the planning system in order to deliver more housing that prompted Michael Gove to go all Stalinist about housing delivery?

As the front-page Times headline put it: 'New homes to be forced through', with the additional heading 'Councils risk losing planning powers if they reject developments'. The longer story included the suggestion that Gove would set up a state housing organization (shades of Singapore) to ensure that housing takes place where and when it is needed. Particularly around Cambridge, it seems. That city, despite well publicised water shortages, is to be on the receiving end of plans for 150,000 homes (100,000 fewer than previously announced, but still . . .)

Is this the same Michael Gove who called in for inquiry a large housing scheme approved by Hounslow Council in spring 2021? Indeed it is – perhaps with good cause, since the planning inspector recommended refusal, describing the proposed development, featuring 16 blocks of up to 17 storeys as being too large in scale, and collectively forming an 'incongruous, monolithic wall of development'.

Guess what? Gove then rejected the inspector's findings and granted approval! The question the grateful housebuilder was too polite to ask was: why Gove had initiated a public inquiry in the first place? It has taken nearly three years for nothing to be built. The Secretary of State for Levelling Up (or is it Dumbing Down?) is now the greatest advocate for hitting that pesky 300,000 homes a year target, which only recently he dismissed as only being a number, whereas what really matters is quality. Identification by planners of land for housing development is back, after recent attacks on the idea of five-year land supplies.

On the quality front, all we can say is that this government cannot even commit to compulsory minimum space standards; their advisory standards for family homes are a joke unless you like killing cats by swinging them in any dimension in the miserable bedrooms politicians think are suitable for proles.

As ever, Gove wants to have it both ways. He is keen on being the housebuilders' greatest supporter, but also happy if planning authorities reject designs which harm the character of an area – presumably excluding 17-storey towers. There is always an escape clause in Gove-land, which is why his fantasy-figure housing targets are being treated with healthy scepticism by companies that actually build homes.

Of course the chickens in Gove-world are unlikely to come home to roost – because we have an election coming up next year. Those Hounslow homes may have made a start on site by then, but it is all too little, too late. ■

Planning in London has been published and edited by Brian Waters, Lee Mallett and Paul Finch since 1992

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Time to show some teeth

It's no longer
about money.
It's about
existential need.

Michael Gove's letter to Sadiq Khan in December responding to the London Housing Delivery Taskforce's (LHDTF) position statement shows some dirigiste thinking unhelpful to solving a truth universally acknowledged - London has the UK's worst housing crisis.

'If you cannot do what is needed to deliver the homes that London needs, I will,' he threatens.

If only. We doubt you'll get the chance, Mr Gove, and, if an unlikely miracle May general election offers an undeserved lifeline, that you will unlock the resources needed to build the true amount of social and affordable homes London needs. Which is way beyond the London Plan's official targets for each year and for the plan period.

One sensible suggestion made by the LHDTF is that Government should re-open the Housing Revenue Account (HRA) debt settlement to enable local authorities to borrow cheaply. This was agreed in 2012, 12 years ago.

Gove's answer is deeply ideological. The settlement, he says was intended to run for 30 years – 'the length of the typical HRA business plan. There are no plans to review it 'as we are only 10 years into the settlement'.

This is ye olde Monetarism. Nothing, not a housing crisis, and certainly not the fiscal desires of spendthrift local authorities, gets in the way of the holy war on inflation. Not even if the economy of the capital begins to fail because of the lack of affordable homes. Wrong Mr Gove. And to keep sticking to a 30 year plan is daft when all around is evidence of the need for fresh thinking. It's no longer about money. It's about existential need.

The only way sufficient affordable and social homes will ever be provided is if collective money – taxes – are used to encourage their development by whoever can deliver.

The Public Works Loan Board, the bank boroughs borrow from, should offer fixed rate loans, ideally at a reduced rate, argues the LHDTF. No way, says Gove. You get a 0.4% reduction on market interest rates as it is and we'll review as usual in June 2024. Wrong again.

The rocketing of interest rates, in case you hadn't noticed Mr Gove, bust a hole in all private and public housing development plans, and the HRA settlement is also deeply unhelpful. It would be a devout atonement if the Treasury were to make available fixed rate long term loans to local authorities. Housing development needs certainty, in finance (as in planning). But see again the dead hand of the Treasury and outdated Tory ideology in Gove's response.

No amount of S106-provided affordable homes will ever touch the sides of the capital's shortage. Fiscal relaxation is needed, so the public sector can partially fund, and the private sector can help deliver, the homes Londoners need. Let's hope the Mayor's task force, due to respond in January, shows some teeth in asking for what's needed. ■