Response to the Government announcement regarding affordable housing and the National Planning Policy Framework from BNP Paribas Real Estate:

Following today’s announcement in the House of Commons regarding the National Planning Policy Framework (NPPF) by Planning Minister Greg Clark MP, BNP Paribas Real Estate's Head of Affordable Housing, Dr Anthony Lee, says:

“We welcome some of the key changes to the balance the NPPF now strikes between returns to landowners on the one hand and the need to provide community benefits on the other, including affordable housing. The draft version, with its emphasis on the need to provide ‘acceptable’ returns to landowners has now been amended to ‘competitive’ returns – a more appropriate balance between the competing interests involved in the planning and development process.

“The notorious footnote 5 in the draft version, which might have effectively killed off target-based policies for affordable housing, has been significantly amended. The draft required that Local Planning Authorities (LPAs) should identify a five year land supply that is deliverable. The sting in the tail for LPAs was that the sites should be deliverable now and provide ‘acceptable returns to a willing landowner and a willing developer, based on current values’. The requirement to assess the viability of these sites using ‘current values’ has been removed from the final version.

“Although there may be some discussion on what ‘viable’ means in the context of a five year period, the new version should mean that LPAs should be able to retain their target based affordable housing policies.”

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About BNP Paribas Real Estate
BNP Paribas Real Estate is a leading international real estate provider, and the 2nd player in Europe, in terms of results. It offers to its clients a comprehensive range of services that span the entire real estate lifecycle: property development, transaction, consulting, valuation, property management and investment management. BNP Paribas Real Estate has local expertise on a global scale through its presence in 30 countries (15 wholly owned subsidiaries) across Europe, India and Middle East with 3,300 employees in about 150 offices. BNP Paribas Real Estate is a subsidiary of BNP Paribas, one of the world's six strongest banks in the world according to Standard & Poor's (rated AA- by Standard & Poor's i.e. 3rd rating level on a scale of 22).
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