HomeOwners Alliance

HomeOwners Alliance Response to:

Extending Permitted Development rights for Homeowners and Businesses, Technical Consultation, DCLG, 2012[1]

Introduction

The HomeOwners Alliance supports the government's proposals on extending permitted development rights subject to some key changes. We believe that homeowners should be free to improve their home, as long as the changes do not adversely affect their neighbours and the local community, and do not endanger existing or future occupants. We will be very interested to see whether the loosening of restrictions will have an effect on the number of extensions built, and encourage DCLG to undertake a proper evaluation of this policy change. Our response only covers the elements that relate to homeowners.

Minimal Impact of policy change

We believe that it is not the chore of getting planning permission that deters building work; it is the cost. If the government is serious about encouraging homeowners to improve their home and kickstart the construction industry, they would reduce or remove the 20% rate of VAT on building extensions. Some would argue that there would be a loss of revenue to HMT, but 20% of nothing is still nothing, and if the rate of VAT were reduced to 5% then the extra work they anticipate would offset at least some of this. Zero and reduced VAT rates already apply to new homes and creating new habitable space by altering empty properties or converting buildings into houses or flats. This should be extended to extensions and loft and garage conversions.

The Isle of Man trialed a reduced rate of 5% for home improvements and, in December 2010, successfully negotiated with HMT for the Island to retain its reduced rate on the repair and refurbishment for domestic property. At the time their Treasury Minister stated "*we believe that the retention of this rate of tax will continue to be a stimulus for the local building trade in these difficult times"*. Their Collector of Customs and Excise, added, "*there is no doubt that the reduced rate for domestic repairs has achieved what it set out to do, namely reduce activity in the shadow economy and encourage employment*. [2]

Protecting homeowners against poor building work and future difficulties

The government and local authorities will need to communicate effectively that extension of permitted development rights does not remove any requirements relating to building control and the Party Wall Act. Homeowners need to be made aware of these obligations or they could be left with shoddy building work that renders their home unsaleable.

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[1] For an explanation of the proposed changes, see http://hoa.org.uk/campaigns/consultations/extending-permitted-development-rights-for-homeowners/

[2] http://www.gov.im/lib/docs/treasury/customs/reducedrateforbuildingrepairs.pdf

http://www.gov.im/lib/docs/treasury/customs/reduced_rate_2006.pdf

Many homeowners will want certainty that their plans are compliant with the permitted development rules before building starts. As a result we predict an increase in the applications for the Lawful Development Certificate/Certificate of Lawfulness, which will still require the attention of planning officers, and for the homeowner to submit the same detailed plans albeit with a reduced fee. The time limit of 8 weeks for a decision also remains the same.

Impact Assessment

It is disappointing that the Impact Assessment did not include a fuller set of options to encourage homeowners to improve and develop their home. For example the option to reduce VAT on extensions, which we could draw on the Isle of Man's experience and evidence. The Impact Assessment needs to be amended to identify the full benefits and costs of the proposed changes. The costs and savings for householder applicants should be offset by the increase in Lawful Development Certificate applications.

The impact assessment should also recognise the extra costs due to increased disputes from neighbours and also any environmental costs from the loss of green space and impact on flooding and the well-being of the community.

Question 1: Do you agree that in non-protected areas the maximum depth for single-story rear extensions should be increased to 8m for detached houses, and 6m for any other type of house?

Yes, but only if the limit of 50% of the curtilage is better defined. It is our interpretation that the front and side gardens count towards the curtilage, but the extension is only allowed to the back of the house. To safeguard back gardens and to reassure communities that the government is not encouraging the concreting over of garden spaces, we suggest that that permitted development can only apply up to 50% of the rear curtilage (ie front garden space does not count). Garages and associated buildings should be viewed as developed to further curtail the limits of any new extension.

We believe in localism. Local homeowners and neighbours should have a say and be able to override any national changes. For example Local Development Orders, which can extend permitted development rights, are developed in consultation with the local community. There should be an equivalent mechanism that allows communities to restrict permitted development rights. Although Article 4 directions can do this, we are concerned that they are too limited in scope and they require the approval of the Secretary of State.

Question 2: Are there any changes which should be made to householder permitted development rights to make it easier to convert garages for the use of family members?

No. Clearly you cannot legislate who will use the converted garage in the future. So any changes need to reflect that non family members may use the extra living space, and indeed could very well be rented separately by future owners. There is no mechanism for enforcement of this rule. The government needs to consider how this is different from unauthorised 'beds-in-sheds' developments.

Question 7: Do you agree these permitted development rights should be in place for a period of three years?

No. This 3 year rule has a real potential to disrupt the market. We suggest that the government puts in place a monitoring scheme to review the positive and negative effects of this change.
We suggest that the government conducts its review after 2 years and give the market an indication as to whether these changes will be permanent. Otherwise building work will grind to a halt at 2 years/6 months and everyone will have to wait until the review is completed – this creates

unnecessary uncertainty and stress. People will feel under pressure to complete their developments in the 3 years, which could damage building standards. Also, data such as the number of neighbor disputes should be collected to inform the review.

Question 8: Do you agree that there should be a requirement to complete the development by the end of the three-year period, and notify the local planning authority on completion?

We strongly believe that homeowners should notify the local council on commencement, not completion of building work. This gives the opportunity for the local planning authority to explain the limits of permitted development (single-story, not in conservation areas, size constraints, etc) and other obligations such as the requirement to submit a building notice or notify under the Party Wall Act.

The homeowner will likely not be aware of these other obligations, which a reputable tradesman would inform them of, but not a rogue one. They will also run into difficulties with neighbours if there is a Party Wall, and the house will be very difficult to sell without a building control compliance certificate. They could rightly blame the government for not setting them straight – as planning is the most high profile of the regulatory regimes.

If a homeowner is unsure as to whether the council will agree that their development meets the permitted development criteria, they can submit a Lawful Development Certificate/certificate of lawfulness in advance of the building work. Although the certificate of lawfulness is not as time-intensive for the planner, they will still require the same level of plans as for a planning application, a fee and 8 weeks to make a decision.

To reduce the number of certificate of lawfulness applications, the government should strip out any subjectivity in the permitted development rules. One example is in the technical guidance on Permitted development for householders, dated August 2010. A.3 states that development is permitted by Class A subject to the following conditions:

- the materials used in any exterior work (other than materials used in the construction of a conservatory) shall be of a similar appearance to those used in the construction of the exterior of the existing dwellinghouse

The interpretation of what constitutes a ‘similar appearance’ is down to the individual conservation or planning officer. It is likely that a certificate of lawfulness would be requested before construction starts in order to reduce the risk of the planning authority not agreeing with the homeowner as to what constitutes a ‘similar appearance’.

Question 9: Do you agree that article 1(5 land and Sites of Special Scientific Interest should be excluded from the changes to permitted development rights for homeowners....etc.

Yes. The government should also consider excluding Houses in Multiple Occupation. Owners or residents of the upper floors should have the opportunity to voice their concern over any development on the ground level.

HomeOwners Alliance, December 2012