

10 AUGUST 2020

## **PC10-20 | CHANGES TO THE CURRENT PLANNING SYSTEM**

### **Summary**

The Ministry of Housing, Communities and Local Government has issued a new consultation on changes to the planning system. This consultation seeks views on a range of proposed changes to the current planning system including: changes to the standard method for assessing local housing need, securing of First Homes through developer contributions, temporarily lifting the small sites threshold and extending the current Permission in Principle to major development. The main consultation document can be found [here](#).

### **Consultation questions**

NALC will be responding to the consultation questions as follows:

1. Do you agree that planning practice guidance should be amended to specify that the appropriate baseline for the standard method is whichever is the higher of the level of 0.5% of housing stock in each local authority area OR the latest household projections averaged over a 10-year period?
2. In the stock element of the baseline, do you agree that 0.5% of existing stock for the standard method is appropriate? If not, please explain why
3. Do you agree that using the workplace-based median house price to median earnings ratio from the most recent year for which data is available to adjust the standard method's baseline is appropriate? If not, please explain why.
4. Do you agree that incorporating an adjustment for the change of affordability over 10 years is a positive way to look at whether affordability has improved? If not, please explain why.
5. Do you agree that affordability is given an appropriate weighting within the standard method? If not, please explain why.

Do you agree that authorities should be planning having regard to their revised standard method need figure, from the publication date of the revised guidance, with the exception of:

6. Authorities which are already at the second stage of the strategic plan consultation process (Regulation 19), which should be given 6 months to submit their plan to the Planning Inspectorate for examination?

7. Authorities close to publishing their second stage consultation (Regulation 19), which should be given 3 months from the publication date of the revised guidance to publish their Regulation 19 plan, and a further 6 months to submit their plan to the Planning Inspectorate?

If not, please explain why. Are there particular circumstances which need to be catered for?

8. The Government is proposing policy compliant planning applications will deliver a minimum of 25% of onsite affordable housing as First Homes, and a minimum of 25% of offsite contributions towards First Homes where appropriate. Which do you think is the most appropriate option for the remaining 75% of affordable housing secured through developer contributions? Please provide reasons and / or evidence for your views (if possible):

- i) Prioritising the replacement of affordable home ownership tenures, and delivering rental tenures in the ratio set out in the local plan policy.
- ii) Negotiation between a local authority and developer.
- iii) Other (please specify)

With regards to current exemptions from delivery of affordable home ownership products:

9. Should the existing exemptions from the requirement for affordable home ownership products (e.g. for build to rent) also apply to apply to this First Homes requirement?

10. Are any existing exemptions not required? If not, please set out which exemptions and why.

11. Are any other exemptions needed? If so, please provide reasons and /or evidence for your views.

12. Do you agree with the proposed approach to transitional arrangements set out above?

13. Do you agree with the proposed approach to different levels of discount?

14. Do you agree with the approach of allowing a small proportion of market housing on First Homes exception sites, in order to ensure site viability?
15. Do you agree with the removal of the site size threshold set out in the National Planning Policy Framework?
16. Do you agree that the First Homes exception sites policy should not apply in designated rural areas?
17. Do you agree with the proposed approach to raise the small sites threshold for a time-limited period?
18. What is the appropriate level of small sites threshold? i) Up to 40 homes ii) Up to 50 homes iii) Other (please specify)
19. Do you agree with the proposed approach to the site size threshold?
20. Do you agree with linking the time-limited period to economic recovery and raising the threshold for an initial period of 18 months?
21. Do you agree with the proposed approach to minimising threshold effects?
22. Do you agree with the Government's proposed approach to setting thresholds in rural areas?
23. Are there any other ways in which the Government can support SME builders to deliver new homes during the economic recovery period?
24. Do you agree that the new Permission in Principle should remove the restriction on major development?
25. Should the new Permission in Principle for major development set any limit on the amount of commercial development (providing housing still occupies the majority of the floorspace of the overall scheme)? Please provide any comments in support of your views.
26. Do you agree with our proposal that information requirements for Permission in Principle by application for major development should broadly remain unchanged? If you disagree, what changes would you suggest and why?
27. Should there be an additional height parameter for Permission in Principle? Please provide comments in support of your views.

28. Do you agree that publicity arrangements for Permission in Principle by application should be extended for large developments? If so, should local planning authorities be:

- i) required to publish a notice in a local newspaper?
- ii) subject to a general requirement to publicise the application or
- iii) both?
- iv) Disagree

29. Do you agree with our proposal for a banded fee structure based on a flat fee per hectare, with a maximum fee cap?

30. What level of flat fee do you consider appropriate, and why?

31. Do you agree that any brownfield site that is granted Permission in Principle through the application process should be included in Part 2 of the Brownfield Land Register? If you disagree, please state why.

32. What guidance would help support applicants and local planning authorities to make decisions about Permission in Principle? Where possible, please set out any areas of guidance you consider are currently lacking and would assist stakeholders.

33. What costs and benefits do you envisage the proposed scheme would cause? Where you have identified drawbacks, how might these be overcome?

34. To what extent do you consider landowners and developers are likely to use the proposed measure? Please provide evidence where possible.

35. In light of the proposals set out in this consultation, are there any direct or indirect impacts in terms of eliminating unlawful discrimination, advancing equality of opportunity and fostering good relations on people who share characteristics protected under the Public Sector Equality Duty?

### **Your evidence**

Please email your responses to this consultation to [policycomms@nalc.gov.uk](mailto:policycomms@nalc.gov.uk) by 17.00 on 17 September 2020. County associations are asked to forward this briefing onto all member councils in their area.

10 AUGUST 2020

## **PC11-20 | WHITE PAPER: PLANNING FOR THE FUTURE**

### **Summary**

The Ministry of Housing, Communities and Local Government has issued a new consultation on planning for the future. This consultation seeks any views on each part of a package of proposals for reform of the planning system in England to streamline and modernise the planning process, improve outcomes on design and sustainability, reform developer contributions and ensure more land is available for development where it is needed. The main consultation document can be found [here](#).

First, we will streamline the planning process with more democracy taking place more effectively at the plan-making stage, and will replace the entire corpus of plan-making law in England to achieve this:

- Simplifying the role of Local Plans, to focus on identifying land under three categories
- Growth areas suitable for substantial development, and where outline approval for development would be automatically secured for forms and types of development specified in the Plan
- Renewal areas suitable for some development, such as gentle densification; and Protected areas where – as the name suggests – development is restricted. This could halve the time it takes to secure planning permission on larger sites identified in plans. We also want to allow local planning authorities to identify sub-areas in their Growth areas for self- and custom-build homes, so that more people can build their own homes.

Local Plans should set clear rules rather than general policies for development. We will set out general development management policies nationally, with a more focused role for Local Plans in identifying site- and area-specific requirements, alongside locally produced design codes. This would scale back the detail and duplication contained in Local Plans, while encouraging a much greater focus on design quality at the local level. Plans will be significantly shorter in length (we expect a reduction in size of at least two thirds), as they will no longer contain a long list of “policies” of varying specificity – just a core set of standards and requirements for development.

Local councils should radically and profoundly re-invent the ambition, depth and breadth with which they engage with communities as they consult on Local Plans. Our reforms will democratise the planning process by putting a new emphasis on engagement at the plan-making stage. At the same time, we will streamline the opportunity for consultation at the planning application stage, because this adds delay to the process and allows a small minority of voices, some from the local area and often some not, to shape outcomes. We want to hear the views of a wide range of people and groups through this consultation on our proposed reforms.

- Local Plans should be subject to a single statutory “sustainable development” test, and unnecessary assessments and requirements that cause delay and challenge in the current system should be abolished. This would mean replacing the existing tests of soundness, updating requirements for assessments (including on the environment and viability) and abolishing the Duty to Cooperate.
- Local Plans should be visual and map-based, standardised, based on the latest digital technology, and supported by a new standard template. Plans should be significantly shorter in length, and limited to no more than setting out site- or area-specific parameters and opportunities.
- Local authorities and the Planning Inspectorate will be required through legislation to meet a statutory timetable (of no more than 30 months in total) for key stages of the process, and there will be sanctions for those who fail to do so. • Decision-making should be faster and more certain, within firm deadlines, and should make greater use of data and digital technology.

We will seek to strengthen enforcement powers and sanctions so that as we move towards a rules-based system, communities can have confidence those rules will be upheld.

- We will develop a comprehensive resources and skills strategy for the planning sector to support the implementation of our reforms – so that, as we bring in our reforms, local planning authorities are equipped to create great communities through world-class civic engagement and proactive plan-making.

Second, we will take a radical, digital-first approach to modernise the planning process. This means moving from a process based on documents to a process driven by data. We will:

- Support local planning authorities to use digital tools to support a new civic engagement process for Local Plans and decision-making, making it easier for people to understand what is being proposed and its likely impact on them through visualisations and other digital approaches. We will make it much easier

for people to feed in their views into the system through social networks and via their phones.

- Insist local plans are built on standardised, digitally consumable rules and data, enabling accessible interactive maps that show what can be built where. The data will be accessed by software used across the public sector and also by external PropTech entrepreneurs to improve transparency, decision-making and productivity in the sector.
- Standardise, and make openly and digitally accessible, other critical datasets that the planning system relies on, including planning decisions and developer contributions. Approaches for fixing the underlying data are already being tested and developed by innovative local planning authorities and we are exploring options for how these could be scaled nationally.
- Work with tech companies and local authorities to modernise the software used for making and case-managing a planning application, improving the user-experience for those applying and reducing the errors and costs currently experienced by planning authorities. A new more modular software landscape will encourage digital innovation and will consume and provide access to underlying data. This will help automate routine processes, such as knowing whether new applications are within the rules, making decision-making faster and more certain.
- Engage with the UK PropTech sector through a PropTech Innovation Council to make the most of innovative new approaches to meet public policy objectives, help this emerging sector to boost productivity in the wider planning and housing sectors, and ensure government data and decisions support the sector's growth in the UK and internationally.

Third, to bring a new focus on design and sustainability, we will:

- Ensure the planning system supports our efforts to combat climate change and maximises environmental benefits, by ensuring the National Planning Policy Framework targets those areas where a reformed planning system can most effectively address climate change mitigation and adaptation and facilitate environmental improvements.
- Facilitate ambitious improvements in the energy efficiency standards for buildings to help deliver our world-leading commitment to net-zero by 2050.
- Ask for beauty and be far more ambitious for the places we create, expecting new development to be beautiful, and to create a 'net gain' not just 'no net harm', with a greater focus on 'placemaking' and 'the creation of beautiful places' within the National Planning Policy Framework.

Make it easier for those who want to build beautifully through the introduction of a fast-track for beauty through changes to national policy and legislation, to automatically permit proposals for high-quality developments where they reflect local character and preferences.

- Introduce a quicker, simpler framework for assessing environmental impacts and enhancement opportunities, that speeds up the process while protecting and enhancing England's unique ecosystems.
- Expect design guidance and codes – which will set the rules for the design of new development – to be prepared locally and to be based on genuine community involvement rather than meaningless consultation, so that local residents have a genuine say in the design of new development, and ensure that codes have real 'bite' by making them more binding on planning decisions.
- Establish a new body to support the delivery of design codes in every part of the country, and give permanence to the campaigning work of the Building Better, Building Beautiful Commission and the life of its co-chairman the late Sir Roger Scruton.
- Ensure that each local planning authority has a chief officer for design and place-making, to help ensure there is the capacity and capability locally to raise design standards and the quality of development.
- Lead by example by updating Homes England's strategic objectives to give greater emphasis to delivering beautiful places.
- Protect our historic buildings and areas while ensuring the consent framework is fit for the 21st century.

Fourth, we will improve infrastructure delivery in all parts of the country and ensure developers play their part, through reform of developer contributions. We propose:

- The Community Infrastructure Levy and the current system of planning obligations will be reformed as a nationally set, value-based flat rate charge (the 'Infrastructure Levy'). A single rate or varied rates could be set. We will aim for the new Levy to raise more revenue than under the current system of developer contributions, and deliver at least as much – if not more – on-site affordable housing as at present. This reform will enable us to sweep away months of negotiation of Section 106 agreements and the need to consider site viability. We will deliver more of the infrastructure existing and new communities require by capturing a greater share of the uplift in land value that comes with development.



- We will be more ambitious for affordable housing provided through planning gain, and we will ensure that the new Infrastructure Levy allows local planning authorities to secure more on-site housing provision.
- We will give local authorities greater powers to determine how developer contributions are used, including by expanding the scope of the Levy to cover affordable housing provision to allow local planning authorities to drive up the provision of affordable homes. We will ensure that affordable housing provision supported through developer contributions is kept at least at current levels, and that it is still delivered on-site to ensure that new development continues to support mixed communities. Local authorities will have the flexibility to use this funding to support both existing communities as well as new communities.
- We will also look to extend the scope of the consolidated Infrastructure Levy and remove exemptions from it to capture changes of use through permitted development rights, so that additional homes delivered through this route bring with them support for new infrastructure

Fifth, to ensure more land is available for the homes and development people and communities need, and to support renewal of our town and city centres, we propose:

- A new nationally determined, binding housing requirement that local planning authorities would have to deliver through their Local Plans. This would be focused on areas where affordability pressure is highest to stop land supply being a barrier to enough homes being built. We propose that this would factor in land constraints, including the Green Belt, and would be consistent with our aspirations of creating a housing market that is capable of delivering 300,000 homes annually, and one million homes over this Parliament.
- To speed up construction where development has been permitted, we propose to make it clear in the revised National Planning Policy Framework that the masterplans and design codes for sites prepared for substantial development should seek to include a variety of development types from different builders which allow more phases to come forward together. We will explore further options to support faster build out as we develop our proposals for the new planning system.
- To provide better information to local communities, to promote competition amongst developers, and to assist SMEs and new entrants to the sector, we will consult on options for improving the data held on contractual arrangements used to control land.

- To make sure publicly owned land and public investment in development supports thriving places, we will: – ensure decisions on the locations of new public buildings – such as government offices and further education colleges – support renewal and regeneration of town centres; and – explore how publicly owned land disposal can support the SME and self-build sectors.

#### Proposal 9:

Neighbourhood Plans should be retained as an important means of community input, and we will support communities to make better use of digital tools. Since statutory Neighbourhood Plans became part of the system in 2011, over 2,600 communities have started the process of neighbourhood planning to take advantage of the opportunity to prepare a plan for their own areas – and over 1,000 plans have been successfully passed at referendum. They have become an important tool in helping to ‘bring the democracy forward’ in planning, by allowing communities to think proactively about how they would like their areas to develop. Therefore, we think Neighbourhood Plans should be retained in the reformed planning system, but we will want to consider whether their content should become more focused to reflect our proposals for Local Plans, as well as the opportunities which digital tools and data offer to support their development and improve accessibility for users. By making it easier to develop Neighbourhood Plans we wish to encourage their continued use and indeed to help spread their use further, particularly in towns and cities.

We are also interested in whether there is scope to extend and adapt the concept so that very small areas – such as individual streets – can set their own rules for the form of development which they are happy to see. Digital tools have significant potential to assist the process of Neighbourhood Plan production, including through new digital co-creation platforms and 3D visualisation technologies to explore proposals within the local context. We will develop pilot projects and data standards which help neighbourhood planning groups make the most of this potential.

## Consultation questions

NALC will be responding to the consultation questions as follows:

1. What three words do you associate most with the planning system in England?
2. Do you get involved with planning decisions in your local area? [Yes / No]  
  
(a). If no, why not? [Don't know how to / It takes too long / It's too complicated / I don't care / Other - please specify]
3. Our proposals will make it much easier to access plans and contribute your views to planning decisions. How would you like to find out about plans and planning proposals in the future? [Social media / Online news / Newspaper / By post / Other - please specify]
4. What are your top three priorities for planning in your local area? [Building homes for young people / building homes for the homeless / Protection of green spaces / The environment, biodiversity and action on climate change / Increasing the affordability of housing / The design of new homes and places / Supporting the high street / Supporting the local economy / More or better local infrastructure / Protection of existing heritage buildings or areas / Other - please specify]
5. Do you agree that Local Plans should be simplified in line with our proposals? [Yes / No / Not sure. Please provide supporting statement.]
6. Do you agree with our proposals for streamlining the development management content of Local Plans, and setting out general development management policies nationally? [Yes / No / Not sure. Please provide supporting statement.]
7. Do you agree with our proposals to replace existing legal and policy tests for Local Plans with a consolidated test of "sustainable development", which would include consideration of environmental impact? [Yes / No / Not sure. Please provide supporting statement.]  
  
(b). How could strategic, cross-boundary issues be best planned for in the absence of a formal Duty to Cooperate?

8. (a) Do you agree that a standard method for establishing housing requirements (that takes into account constraints) should be introduced? [Yes / No / Not sure. Please provide supporting statement.]

(b). Do you agree that affordability and the extent of existing urban areas are appropriate indicators of the quantity of development to be accommodated? [Yes / No / Not sure. Please provide supporting statement.]

9. (a). Do you agree that there should be automatic outline permission for areas for substantial development (Growth areas) with faster routes for detailed consent? [Yes / No / Not sure. Please provide supporting statement.]

(b). Do you agree with our proposals above for the consent arrangements for Renewal and Protected areas? [Yes / No / Not sure. Please provide supporting statement.]

(c). Do you think there is a case for allowing new settlements to be brought forward under the Nationally Significant Infrastructure Projects regime? [Yes / No / Not sure. Please provide supporting statement.]

10. Do you agree with our proposals to make decision-making faster and more certain? [Yes / No / Not sure. Please provide supporting statement.]

11. Do you agree with our proposals for accessible, web-based Local Plans? [Yes / No / Not sure. Please provide supporting statement.]

12. Do you agree with our proposals for a 30 month statutory timescale for the production of Local Plans? [Yes / No / Not sure. Please provide supporting statement.]

13. (a) Do you agree that Neighbourhood Plans should be retained in the reformed planning system? [Yes / No / Not sure. Please provide supporting statement.]

(b). How can the neighbourhood planning process be developed to meet our objectives, such as in the use of digital tools and reflecting community preferences about design?

14. Do you agree there should be a stronger emphasis on the build out of developments? And if so, what further measures would you support? [Yes / No / Not sure. Please provide supporting statement.]
15. What do you think about the design of new development that has happened recently in your area? [Not sure or indifferent / Beautiful and/or well-designed / Ugly and/or poorly-designed / There hasn't been any / Other – please specify]
16. Sustainability is at the heart of our proposals. What is your priority for sustainability in your area? [Less reliance on cars / More green and open spaces / Energy efficiency of new buildings / More trees / Other – please specify]
17. Do you agree with our proposals for improving the production and use of design guides and codes? [Yes / No / Not sure. Please provide supporting statement.]
18. Do you agree that we should establish a new body to support design coding and building better places, and that each authority should have a chief officer for design and place-making? [Yes / No / Not sure. Please provide supporting statement.]
19. Do you agree with our proposal to consider how design might be given greater emphasis in the strategic objectives for Homes England? [Yes / No / Not sure. Please provide supporting statement.]
20. Do you agree with our proposals for implementing a fast-track for beauty? [Yes / No / Not sure. Please provide supporting statement.]
21. When new development happens in your area, what is your priority for what comes with it? [More affordable housing / More or better infrastructure (such as transport, schools, health provision) / Design of new buildings / More shops and/or employment space / Green space/ Don't know / Other – please specify]
22. (a) Should the Government replace the Community Infrastructure Levy and Section 106 planning obligations with a new consolidated Infrastructure Levy,

which is charged as a fixed proportion of development value above a set threshold? [Yes / No / Not sure. Please provide supporting statement.]

(b) Should the Infrastructure Levy rates be set nationally at a single rate, set nationally at an area-specific rate, or set locally? [Nationally at a single rate / Nationally at an area-specific rate / Locally]

(c) Should the Infrastructure Levy aim to capture the same amount of value overall, or more value, to support greater investment in infrastructure, affordable housing and local communities? [Same amount overall / More value / Less value / Not sure. Please provide supporting statement.]

(d) Should we allow local authorities to borrow against the Infrastructure Levy, to support infrastructure delivery in their area? [Yes / No / Not sure. Please provide supporting statement.]

23. Do you agree that the scope of the reformed Infrastructure Levy should capture changes of use through permitted development rights? [Yes / No / Not sure. Please provide supporting statement.]

24.(a). Do you agree that we should aim to secure at least the same amount of affordable housing under the Infrastructure Levy, and as much on-site affordable provision, as at present? [Yes / No / Not sure. Please provide supporting statement.]

(b). Should affordable housing be secured as in-kind payment towards the Infrastructure Levy, or as a 'right to purchase' at discounted rates for local authorities? [Yes / No / Not sure. Please provide supporting statement.]

24 (c). If an in-kind delivery approach is taken, should we mitigate against local authority overpayment risk? [Yes / No / Not sure. Please provide supporting statement.]

24 (d). If an in-kind delivery approach is taken, are there additional steps that would need to be taken to support affordable housing quality? [Yes / No / Not sure. Please provide supporting statement.]

25 Should local authorities have fewer restrictions over how they spend the Infrastructure Levy? [Yes / No / Not sure. Please provide supporting statement.]

(a) If yes, should an affordable housing 'ring-fence' be developed? [Yes / No / Not sure. Please provide supporting statement.]

26. Do you have any views on the potential impact of the proposals raised in this consultation on people with protected characteristics as defined in section 149 of the Equality Act 2010?

### **Your evidence**

Please email your responses to this consultation to [policycomms@nalc.gov.uk](mailto:policycomms@nalc.gov.uk) by 17.00 on 15 October 2020. County associations are asked to forward this briefing on to all member councils in their area.

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